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The Social Democratic Party-School In Berlin.

THE PARTY-SCHOOL in Berlin which was established last year by the committee of the Social Democratic party, did not spring up by chance; on the contrary, it is a quite necessary product of the conditions, into which, through its developments, the German party has come. In the beginning, when the labor movement was still small, and when it was comprehended only by a few chosen enthusiastic persons, the study of the scientific principles of socialism was eagerly pursued by them. They had time for it, and it was necessary for them, if they would win for the cause the mass of their comrades who either pinned their faith to bourgeois parties, or were indifferent; the bourgeois teaching had to be refuted, and the indifferent workmen aroused by pointing out the necessary tendencies in the development of capitalism, and the goal of the working class. In order to do this they must themselves be thoroughly grounded in the scientific principles of socialism; and, as we have said, they found time for this effort, all the more readily as the discussions added something to the pleasure of sociability, and to the entertainment of the tavern. In this way a strong nucleus of educated comrades was created, who were able to grasp clearly the tactics of the party; to trace out new paths for the international movement, and to carry through victoriously, under the laws for German socialists, the fight with the Bismarckian government.

Since then, however, circumstances have changed. After the decline of the laws against socialists, when the labor movement could develop freely and openly, it grew with giant strides. The unions, especially, could better bestir themselves. Their

growth was so enormous, particularly after the crisis of 1896 when good times set in, that Mehring, in his history of socialism, called the ninth year the *Jahrzehnt* of the unions. Co-operative societies were founded also, and grew with great rapidity. Everywhere was going on the ceaseless work of organization, — not only the chosen ones but the great mass of the workers were brought in; everywhere were founded socialist newspapers which constantly increased the numbers of their subscribers.

This development, which is still in full swing, soon brought its dark side which began to work an ever unceasing injury to the movement. The work of organization absorbed all the energy — no time was left for study. For the inexorable demands of practical work must weaken the passion for knowledge. The small industries clamored for new powers, the more aggressive workmen demanded the full measure; and every young man who showed some eagerness and capacity was immediately set to work, and henceforth found no time for theoretical study. It happened further that the bourgeois parties ceased to fight with theories, principles and arguments. Abuse, personal attacks, misrepresentation of facts took their place. Therefore in order to wage war with the bourgeois, theoretical knowledge was not necessary, but rather polemic agility and knowledge of facts; at least the need of fundamental knowledge was little felt in such a contest.

It is easy to see, therefore, why those words of Engels, in which he exalted the German workingman's ability to use and understand theories, are no longer true, no longer hold good. There was no time for theories,—practical work absorbed all their strength. But little by little it began to be apparent that even for practical work, this state of things was dangerous. We make use of the theories of socialism not alone to argue with the bourgeois parties, but also in order to correctly determine our own tactics. We must clearly understand the nature of capitalism not simply to incite the workingmen to fight against it, but also to find out for ourselves the best *method* of fighting it. Wherever this knowledge is lacking, tactics will be governed by established tradition or by superficial empirics. Only the present, the immediate, will be taken into account, appearances will deceive, and deep-lying cohesiveness will be lost sight of.

In the theoretical strife within the party carried on by those who call themselves Revisionists, the theoretical defects of the movement have found an unsightly expression. When Bernstein came forward with a criticism on Marxism and the old program, and demanded a revision of the former tactics,—advocating social reform as genuine socialistic tactics, instead of the "revolutionary phrases" formerly laid stress upon,—this

theoretical confusion was recognized only by certain spokesmen. It lasted for many years before the great mass of the working people understood the untenableness of Bernstein's views; and then it was not because of their theoretical grasp of the matter, but through practical experience which did not agree with Bernstein's conclusions. These contentions have strongly demonstrated the need for a theoretical clearing up of the subject.

This need appeared still more pressing when to the German party was set the task of considering new methods of tactical warfare. The breaking out of the Russian Revolution pushed the masses into the foreground as instruments of war. Traditional methods, traditional catch-words, would no longer serve; theoretical discussions were necessary, and the interest in theory therefore grew stronger. The Russian Revolution also brought to light that the franchise was no longer the all-important thing, and the social democratic societies became conscious of a higher mission than that of extending the franchise. The instruction of members and the grounding them in socialistic studies, was attempted. The newspapers which increased their subscriptions enormously demanded the same object. The lack of theoretical knowledge in the agitators and journalists then became more and more apparent. The situation was a contradictory one. Those who demanded redress, themselves stood in its way. The Party-School has been one means of escape from this contradiction.

The purpose of the Party-school as its origin shows, is not to give a kind of university training in socialistic principles, but only to educate party members as far as it can be done, in the theory of socialism, so that thereafter they may be able to work independently in any party position. Accordingly, some 30 comrades have been selected to reside for a half year in Berlin, their support, and the support of their families at home to be paid for out of the funds. These are all workingmen, actively prominent in their own localities, some of them holding salaried positions in the party. After finishing the course, they may offer themselves for the post of editor or agitator. They are given places as the need arises, and in the meantime they shift for themselves.

As a matter of course, these men placed all at once in a position to study, to cultivate their intellectual side, use their opportunity to the utmost. In order that they may not study without plan, they follow daily courses given by different teachers. In the first year the principal direction of the school fell upon the head of comrade Hilferding, who gave the courses in political economy and in the history of economics, and upon Pannekoek, who taught the history of materialism and social theories. A few weeks before the beginning of the second term, the Prus-

sian police did what they could to injure this Socialist educational institution. Both these comrades, who are foreigners, were threatened with banishment if they continued their teaching. But their places were filled by Comrade Rosa Luxemburg and Comrade Cunow; so the plan to cripple the work of the school came to nothing. The well known historian, Mehring, gives a course in the history of politics; there are courses in communal politics and in trade unionism, and a systematic training in public speaking and in journalism. Not only the theoretical but also the practical training which an agitator or a journalist may need in Germany, is considered. To the regular courses five hours are devoted daily. The remaining time is given to independent study and to a personal inspection of all branches of the Berlin labor movement. The present prospect is that a good quality of intellectual work may be looked for from the Party-School.

Can the school attain its end? It may seem difficult to train in half a year those men who have simply passed through the elementary school, to train them sufficiently in such deep scientific theories. Still, it must not be forgotten that they have passed through the school of life, and therefore the theory of that life is easily taken up by them. Then it is possible that socialist workmen well acquainted with the practical side of life and with the labor movement, should have a good understanding of the fundamental ideas of socialistic theory. The first half year of the school has shown this. A foundation for the further study of classical and current literature has been laid; but farther study is of course necessary. It is clearly understood in the German party that not enough can be done through this Institute alone. Everywhere committees are springing up, mostly from unions and party branches, whose object is to provide lectures, courses and lessons for the workingmen. Interest in theory, in the theoretical question is awaking everywhere; libraries are being founded and lecturers provided. In this way the German working class is preparing itself for the hard battle of the future; and the hardest task it will have to accomplish, is to be well armed.

A. P.

Socialist Unity In The United States.

The question of a union between the Socialist Party of America and the Socialist Labor Party is being persistently urged, and the subject is one that demands full consideration and discussion. There are two obstacles to a clear understanding of it in the ranks of the Socialist Party. One is that about nine tenths of our members have joined since the days when the Socialist Labor Party was the most important socialist organization in this country. The other is that most of the old members are still unconsciously influenced by the bitter feelings growing out of the fight in 1899 for the control of the party organization. My excuse for urging my opinion at this time is that at the time of the fight I was a new convert and an observer, not a combatant on either side, while I am fairly well informed as to the facts which are pertinent to the decision we have to make at this time.

The nature of the decision is well shown by the following resolutions lately adopted by Local Redlands, California, of the Socialist Party of America. I print them in full for the reason that they illustrate better than anything I could say the artless eagerness of our new members who are unfamiliar with the history of the Socialist Labor Party.

PREAMBLE.

We, the Redlands local, believing that too much stress cannot be put upon the necessity of unity in the Socialist movement, are desirous of bringing about a union of the two Socialist political parties, believing, as we do, that the reasons for their separation are neither permanent or necessary, and that both having been stripped of their errors, remain essentially as one in their endeavor.

We also believe that the Haywood incident has taught the workingmen of America, better than theory can teach, the necessity for the solidarity of the working class, and has forcibly shown its effectiveness. And we further believe that in the face of this event the workers have realized that the end for which they are striving, to wit, industrial emancipation, holds them closer together, than their difference in tactics can hold them apart.

We also believe that the great question before the working class today is the relation of the Industrial Organization to Political Action, Socialism being realized in the social ownership of industries, which at once results in the destruction of the wage system, the workers must be organized on the plan of industrial unionism. It is self-evident that capitalist craft-unionism can offer at best only temporary benefits and never can emancipate the wage-slaves, but that the proletariat must organize on the industrial plan so as to control and direct industrial affairs, when the political party shall be successful on the political field and thus assure to the worker the full product of his toil.

RESOLVED.

Therefore be it resolved, in view of the above preamble, we, Local Redlands, initiate a National referendum calling for the union of the two Socialist parties of America; — unity to be based on the recognition of industrial unionism as the economic basis of the socialist political movement.

And be it further Resolved, that the official press and means of publication shall be owned and managed by the Socialist party and that no literature be considered official unless sanctioned by the National Executive Committee.

And be it further Resolved, that no officer of any union shall be eligible as an officer or candidate of the Socialist party.

And be it further Resolved, that if this referendum be carried and a convention called for the purpose of completing this consolidation, the delegation shall consist of wage workers holding no official position in either party.

H. M. McCOY, Chairman Comm.

M. SHELLY, Secretary.

No special comment is necessary on the first two paragraphs. Throughout four fifths of the states, socialist unity has already been reached by the virtual disappearance of the Socialist Labor Party. It is perfectly true, however, that there are still a few hundred tireless, energetic workers who cling to the S. L. P., and that their efforts are now largely wasted in fighting the Socialist Party instead of fighting capitalism. So that if union could be brought about without committing the Socialist Party to unwise tactics, it would be a substantial gain, well worth some trouble.

In the third paragraph, the resolutions call attention to an important fact. It is indeed true that the great question before the working class today is the relation of industrial organization to political action. But directly after stating this fact, the resolutions plunge into a tangle of Utopian speculations that are perfectly futile, and flounder there in a fashion which would make us think that the comrades who prepared them had never heard of Marx's law of economic determinism.

It seems a very simple thing out in California, thousands of miles from the storm centers of the economic fight between capitalists and laborers, to argue theoretically that industrial unions are necessary to help run things when the Socialist Party, years hence, is in control of the government. But to offer such an argument seriously shows a weak grasp of the motives that really make people do things.

Here in Chicago most of the members of the Socialist party are members of every-day, commonplace trade unions, affiliated with the American Federation of Labor. This is not because Chicago socialists are less revolutionary than the socialists of Redlands, California. The Chicago Socialists, most of them,

joined these trade unions long ago, and for the very good and very prosaic reason that they wanted better wages and depended on the unions to help get them, or perhaps found that they could not get jobs without carrying union cards. They remain inside these unions today for the most part because there are no industrial unions here in the trades in which they work. If they were to withdraw from the existing unions to join the budding organization of the Industrial Workers of the World, they would stand a very good chance of losing their jobs. Moreover they would seem to their shopmates to be acting like scabs, and they are more sensitive to the opinion of their shopmates whom they have seen than to the opinion of their comrades of Redlands, California, whom they have not seen.

And there is another reason why they should stay inside the existing unions. If they were to withdraw, they would enrage the other members of the union both against the Socialist Party and against the idea of industrial unionism.

There is a far stronger argument for the adoption of the Industrial Union principle than that offered by Local Redlands. The old-time craft unions were the logical form of organization when industry was for the most part carried on by small capitalists in small plants, each employing a few men. Under such conditions, craft unions served their purpose well. But the growth of the trusts has put them out of date. This is day by day becoming more evident to the rank and file of the unions. Simply as fighting machines to keep up wages, they have grown ineffective. A union that shall enroll in its membership all the workmen of a trust is a necessity if the trust is to be met on anything like equal terms.

Every clear-headed Marxian socialist understands that people's ideas and institutions at a given moment are in the main the result of the *former* economic environment of the social group in question, and that these ideas and institutions are being continually modified by the *changing mode of production*. To overlook these social laws discovered by Marx and Engels, and denounce people because all unconsciously they act according to these laws, is to talk like a utopian, a single taxer, an anarchist or a reformer, but not like a socialist.

Apply these laws to the mass of American trade unionists, those who vote with us and those who vote against us. They are all obliged to make a living if they want to live, and most of us do, whether it is reasonable or not. They find their unions useful in the process of making a living, and unless they have the religious temperament that makes bigots out of the leisure class and revolutionists out of proletarians, they will not give up these practical unions for the sake of theories about the

unknown future. Furthermore, if the zealous revolutionists call them names for clinging to their unions, they will probably call equally picturesque names in return, and resist any change in the form of their union organization with a good deal of indignation.

This being the case, the rational thing for us revolutionists to do is to stay inside the old unions, strengthen them, not disrupt them, but argue calmly and patiently, day in and day out, to show the other trade unionists that the craft union is as much of a back number as the stage coach. Let us keep clear heads and not mix our arguments. If we are talking to socialists inside the old unions, we may well urge the argument offered by Local Redlands in its third paragraph. But if we are talking to non-socialists, let us put all our stress on the need of an industrial union as a better fighting machine to keep up wages.

Let us especially avoid mixing the party question and the union question. The Socialist Party needs no endorsement from trade unions as organizations. What it does need is new members and new voters. Industrial unionism needs no resolutions adopted by the Socialist Party. What it needs is a united effort on the part of socialist trade unionists to secure the support of the industrial principle by the existing unions, not to disrupt these by organizing rival unions.

The traditional policy of the Socialist Labor Party has been to denounce all officers of the real trade unions as "fakirs," and to encourage the formation of new unions. In the nineteenth century they organized a considerable number of paper unions under the name of the Socialist Trade and Labor Alliance. In 1899, when two thirds of the members withdrew from the Socialist Labor Party to form an organization now included in the Socialist Party, the Socialist Trade and Labor Alliance had a nominal membership of possible thirty thousand, but five years later the organization was practically dead. Its remains, however, entered the Industrial Workers of the World when that body was organized, and have been the most serious obstacle to its growth.

Another traditional policy of the Socialist Labor Party has been to control its party press through the national executive committee. The practical result of this method has been to place the editor of *The People*, wielding the power of the National Executive Committee, in full control of the sources of information of the party membership, so that he has dominated and still dominates the opinions of the rank and file. Personally I do not believe the charges sometimes made that this editor is in the pay of capitalists; on the contrary I think he sincerely believes that his tactics are for the best interest of the working class. But I

am decidedly opposed to a system placing such absolute power in the hands of any one man or small group of men.

To sum up the situation briefly, the method of the Socialist Party since its organization in 1900 has been friendly co-operation with existing trade unions, and a large measure of local self-government throughout the party organization. The method of the Socialist Labor Party through these years has been one of bitter war on existing trade unions and extreme centralization of power within the organization. During these seven years the Socialist Party has multiplied its membership by five, while the membership of the Socialist Labor Party has declined.

The Redlands resolutions propose a consolidation of the parties. So far, so good. But they propose that the larger party should discard its successful methods and adopt the disastrous methods of the smaller party. I am for consolidation, but not on these terms.

The sanest official proposition that has yet been made is a National Committee motion by Vernon F. King, of the Socialist Party of Michigan, inviting the Socialist Labor Party to state definitely on what terms they will unite. I hope that this motion will prevail and that it will bring a definite answer from the S. L. P. And if their answer is that they are willing to merge the two organizations, leaving all questions of platform, tactics, organization and party press to be settled by the majority after consolidation, then I am heartily in favor of union. But if they are only willing to consolidate on some such basis as that of the Redlands resolutions, then I think we may safely wait for further developments.

CHARLES H. KERR.

Socialistic Tendencies In American Trade Unions.

Trade-unionism and socialism are commonly assumed to be unrelated, if not antagonistic, movements. The president of the United Mine Workers of America, for example, states that

There is no fundamental or even necessary relationship between trade-unionism and socialism; they are entirely separate and distinct movements, one economic and the other political; and in some respects each movement accepts and recognizes a condition of society diametrically opposed to that recognized and adopted by the other.*

Such statements as the above are made almost daily by capitalists, labor leaders, and politicians, and seem to be generally accepted without question.

Careful analysis of the two programmes, however, does not bear out popular belief. It seems to show, on the contrary, that at bottom trade-unionists and socialists hold to practically the same views and are seeking the same ends; and that it is only a question of time before trade-unionists in America will recognize this fact and lend their support to the Socialist Party. In support of this conclusion, it is proposed here to show that the most characteristic features of the Socialist movement are characteristic of trade-unionism also, and to furnish evidence that trade-unionists, as such, are coming more and more to indorse the Socialist programme.

Among the chief characteristics of a socialistic labor movement are the following: First, class-consciousness; second, a tendency to resort to political action for betterment of the social and economic condition of workers; third, a demand for collective ownership and administration of the means of production. How far are these features likewise characteristic of trade-unionism?

I. CLASS-CONSCIOUSNESS.

The American Federation of Labor is at once the most powerful and the most conservative labor organization in America. It has always been an anti-socialist anti-revolutionary body. Yet as early as 1897 President Gompers expressed what may

* John Mitchell, "Trade-Unionism and Socialism." Sunday Magazine, February 27, 1907.

be considered the attitude of the organization upon class-consciousness as follows:

The term class-consciousness indicates that those who belong to that class are conscious of the fact, and are conscious, too, that their interests as a class are separate and distinct from any other class; and that while by organizing in a class organization they may and do benefit all others, yet they organize in a class organization for the betterment of the conditions of that class. Class-conscious! as a matter of fact there is no other organization of labor in the entire world that is a class organization or is so class-conscious as are the trade-unions.*

Another of the more conservative labor leaders, President Mitchell of the United Mine Workers of America, states in the opening lines of his work, *Organized Labor*, that,

The average wage-earner has made up his mind that he must remain a wage-earner. He has given up the hope of a kingdom to come where he himself will be a capitalist and asks that the reward for his labor be given to him as a workingman.

If this does not mean that the workers are already class-conscious, it does mean that the conditions are present which will soon make them so.

Even stronger expressions of class-consciousness come from the rank and file almost daily. During the recent telegraphers' strike, for instance, meetings have been frequently held in Brand's Hall by the operators of Chicago. At these meeting speaker after speaker from various organizations has assured the strikers that, "Your fight is our fight. If you defeat the telegraph companies you will gain a victory for all organized labor." And the best proof that these speakers expressed the sentiments of their fellow unionists is the fact that their unions made liberal contributions to the telegraphers' strike fund. The same attitude has been taken by trade-unionists toward all great strikes in recent years. They have contributed liberally to help miners, printers, lithographers, and machinists, in their respective struggles for better conditions.

During the telegraphers' strike, referred to above, President Small of the Commercial Telegraphers' Union of America, addressed the Chicago Federation of Labor. At this time he stated that it would be well for the American Federation of Labor to accumulate a defense fund of ten or twenty millions to be put at the disposal of any union engaged in a great strike. This proposition, which is based squarely upon the idea of a

* Editorial in *American Federationist*, August, 1897.

class struggle, was received with great applause by the three hundred or more delegates present.

The attitude of the unions toward arbitration is further evidence of growing class-consciousness. In the recent strike one of the most insistent demands of the operators has been that there should be no arbitration. The attitude of the telegraphers is noted here particularly because one would naturally expect such a union, if any, to be conservative. It is composed of relatively well-paid, skilled workers, whom one would expect strongly to indorse business unionism. President Hawley of the Switchmen's Union of North America indorses the attitude taken by the telegraphers. He says:

I am decidedly against arbitration of the telegraphers' strike or any other strike. Arbitration in every case means a loss to the union. The ideas of the men who compose boards of arbitration are those of the capitalistic class.

The President of the Chicago Federation of Labor likewise declared recently that he was strongly opposed to the arbitration of strikes. Of course this is not the sentiment of all trade-unionists, but there can be no doubt that it is that of an increasingly large share of them.

Class-consciousness is, perhaps, in no case demonstrated more strongly than it is in the sympathetic strike. When men in one craft, enjoying satisfactory conditions of employment, quit work to aid their union brothers in some entirely different craft, then there can be no question as to the existence of class-consciousness. Such strikes occur with great frequency, especially in the building trades. In some cases unionists find that to engage in a sympathetic strike they must break a definite agreement or contract with an employer. Even then they usually do not hesitate to stand by their brother unionists. As a general rule when a trade-unionist faces the alternative of working with a "scab" or breaking a contract, he breaks a contract. His class-consciousness proves itself to be stronger than is his respect for the business code of honor.* Many labor leaders, among whom may be mentioned the president of the Chicago Federation of Labor, now declare that trade-unions should not make any contracts whatever. Thus they would be entirely free to engage at any time in a sympathetic strike.

The existence and growth of class-consciousness among trade-unionists is a necessary and direct result of the conditions under which workers gain their livelihood. In an era of large production wage-earners have found that they can bargain to

* An explanation of this and other phases of the trade union attitude mentioned here are to be found in a paper written by Dr. R. F. Hoxie, "The Trade Union Point of View," *Journal of Political Economy*, Vol. XV, No. 6, June, 1907.

better advantage collectively than they can individually. They have found that they can, bargaining collectively, secure higher wages, shorter hours of labor, and better sanitary conditions in mine, mill, and factory. Hence they have organized into trade-unions. But that is not all. Wage-earners have found that they can further increase their strength by forming city, state, and national federations of trade-unions. Thus they have identified their interests not only with those of their fellow-craftsmen, but with those of their fellow-workers regardless of craft. When one union goes out on strike others feel the necessity of lending moral and financial assistance, even though they are not directly affected. They know from experience that in the near future they themselves may be forced to call upon their fellow-workers for help. They have found that if they fail to help one another they are unable to withstand the onslaughts of powerful capitalistic organizations. In a word, experience has taught trade-unionists the need of united action and mutual assistance.

While, however, practically all trade-unionists are class-conscious in the sense that they feel an identity of interests with fellow-workers, yet until recently few have indorsed the extreme position taken by such organizations as the Western Federation of Miners, and the Industrial Workers of the World. These unions, with a membership of between 50,000 and 100,000, have officially recognized the "class struggle," and have declared that there can be no lasting peace between capitalists and wage-workers.

During the past few years, however, the radical class spirit of the western labor unionists has been spreading to other parts of the country. This has been due chiefly to agitation occasioned by prosecution of the officers of the Western Federation of Miners for murder of the late Governor Steunenberg of Idaho, and to the activity of employers' associations in fighting certain phases of trade-unionism. During the past year the attention of all organized labor has been turned to the trial of the officers. Meetings have been held in all large cities and industrial centers to raise funds and to arouse sympathy for the prisoners. These meetings, which have been generally promoted by socialists, have reached thousands of trade-unionists who had hitherto looked upon the labor problem as a craft, rather than a class, problem. In New York City, alone, over three hundred unions contributed to the defense fund for the prisoners. All told, over \$100,000 was raised, most of it coming from unions scattered throughout the country.

The socialist press has made the most of this opportunity to create a strong feeling of class-consciousness among workers. One of the most radical and widely circulated of the socialist

weeklies, for instance, has devoted more than half its space during the past year to the trial of Haywood, and has, moreover, furnished accounts of the trial to dozens of labor papers throughout the country.

It is not in order here to pass upon the merits of the Haywood case, but simply to point out how it tended to promote a class-conscious spirit among trade-unionists. The labor press, especially the socialistic element, represented the case as an attempt of the capitalistic class to crush out of existence a strong labor union by brutal and illegal methods. That this statement had considerable effect upon even the more conservative unions is shown by the fact that such an organization as the United Mine Workers of America contributed \$5,000 to the defense fund. Indeed, it is a matter of common knowledge that this trial tended to break down the barriers between labor organizations in all parts of the country. Trade-unionists and socialists in industrial centers united to form Haywood, Moyer, and Pettibone conferences. As a result of this co-operation in a common cause unionists and socialists are much more in sympathy with each other today than they were two years ago.

A much more potent factor making for radicalism has been the aggressive action of employers' associations. From 1903 to 1905 employers' associations and citizens' alliances made vigorous attacks upon certain practices of American trade-unions. They declared that unions must give up the union shop, the sympathetic strike, restriction of output, and the boycott. The chief issue was the union shop. In Chicago, San Francisco, Dayton, Battle Creek, and in many other cities the fight over this issue was a bitter one. Unions in all parts of the country became aroused. The labor press declared that unionism was facing a crisis, and that for self-protection unionists must stand shoulder to shoulder. As a result of these widespread and bitter conflicts unions soon developed a class spirit which they had never before felt. The very organization of powerful employers' associations to combat the demands of unionism made unionists feel that they were engaged in a class struggle. They lost faith in the doctrine of identity of interests between employer and employee and have since expected to gain concession by force only.

The resolution passed at a recent convention of the National Manufacturers' Association in New York City, to raise \$1,500,000 in the next three years "To federate the manufacturers of the country to effectively fight industrial oppression," has merely further aroused the fighting spirit of trade-unionists. President Perkins of the Cigar Makers' Union has made the following declaration:

Every labor organization should immediately start collecting a war fund of its own, not for the purpose of fighting fair manufacturers, but to offset any move the Parry-Post-Van Cleave combine may make against us. . . The time for peace is, so far as the Van Cleave outfit is concerned, past. Let labor meet this crowd with its own weapons.

President Lynch of the International Typographical Union expresses the opinion that,

"With \$1,500,000 in the strong-box of the National Manufacturers' Association, and with \$5,000,000, \$10,000,000, yes, even \$20,000,000 in the coffers of the American Federation of Labor and its units, the international and national trade-unions of the North American continent, "industrial oppression" will become a very different quantity and will be "fought" on very different lines."

Secretary-Treasurer Skemp of the Brotherhood of Painters, Paperhangers, and Decorators expresses himself as follows:

If the opposition decides to raise an immense industrial war fund, if there is to be a general combination of employers to crush out trade-unionism, if evolution must give place to revolution, we shall be compelled to meet the issue, but it will be on the initiative or with the consent of American trade-unionism; the responsibility will lie entirely with the American business man.

Another note is sounded by President Hawley of the Switchmen's Union of North America:

Van Cleave says nothing of the trusts which are daily making fortunes for a few individuals through the hard labor of the wage-slave; but he bitterly attacks the trade-unions which only aim to secure the emancipation of the wage-slave.*

As one observes the increasingly warlike attitude taken by employers' association and trade-unions, one is forced to conclude that the day of business unionism is rapidly passing.

That many far-seeing capitalists and labor leaders recognize this fact is shown by the attitude taken by civic federations and other associations formed for the avoidance and settlement of labor disputes. From the outset they have opposed the attacks of employers' associations upon unions, declaring that such attacks can result only in making the labor movement more radical. The *Wall Street Journal* well expressed this view recently

* For the full opinion of these and other labor leaders regarding the attitude taken by the National Manufacturers' Association, see the *American Federationist*, September, 1907.

when it commented as follows upon the decision of the National Manufacturers' Association to raise a "war fund" of \$1,500,000.

It were better to adopt the suggestion of Secretary Strauss and invite the leaders of organized labor to meet with the manufacturers for joint consultation and action. Co-operation, not war, should be the programme.

It seems hardly necessary to adduce more evidence in proof of the assertion that in the industrial field trade-unionists are thoroughly class-conscious. In this respect, at least, they are essentially socialistic.

2. POLITICAL ACTION.

Since its organization in 1881 the American Federation of Labor has consistently advised its members to use their ballots regardless of party ties to secure social and economic advantages. Until recent years these resolutions have never been taken seriously, and have had little or no effect upon the course of current politics. Indeed, in so far as the unions have taken any positive stand as unions, it has been to taboo political action altogether. "Keep politics out of the union, and the union out of politics!" has been until recently the shibboleth of union leaders generally.

In the summer of 1906, however, the Executive Council of the Federation took a decisive step toward independent political action. They declared that,

Congressmen and senators in their frenzied rush after the almighty dollar have been indifferent or hostile to the rights of man. They have had no time and as little inclination to support the reasonable labor measures which we have urged, and which contained beneficent features for all our people without an obnoxious provision to anyone. We recommend that central bodies and local unions proceed without delay to the election of delegates to meet in conference or convention to formulate plans to further the interests of this movement, and in accordance with the plan herein outlined, at the proper time and in the proper manner, nominate candidates who will unquestionably stand for the enactment into law of labor and progressive measures.*

The following recommendations were then made:

1. Defeat all who have been hostile or indifferent to the demands of labor.

2. If both parties ignore the demands of labor, a straight labor candidate should be nominated.

* See American Federationist, 1906, p. 530.

3. The men who have shown themselves to be friendly to labor should be supported and no candidate nominated against them.

To carry out this policy the Executive Council appointed a "Labor Representation Committee" composed of three leading officials of the Federation, and contributions were solicited with which to carry on the campaign.

This move marked a distinct advance over the "resolution" stage toward the active participation of American trade-unions, as such, in politics. The president of the Federation and several other labor leaders took an active part in the congressional campaign of 1906, notably in an effort to defeat certain representatives from Maine, Ohio, Pennsylvania, and Illinois.

While the labor campaign of 1906 brought little direct result, it was, nevertheless, significant in that the unions actually got into the political arena. As the president of the Federation remarked, this was only the beginning. The Federation has given every indication that it will take an active part in future political campaigns along lines suggested above. In this connection it may be well to note that with the increasing class-consciousness in the industrial field, unions will be better able to participate successfully in politics. So long as loyalty to party is greater than loyalty to class the entrance of unions into politics can lead only to confusion, if not disruption. But when unionists stand together and vote as members of a class, there will be much less danger of ruptures.

A noteworthy example of the entrance of American trade-unions into politics is afforded by the city of Milwaukee, where the unions and the Socialist Party are practically co-operating. Of the twelve Socialist aldermen in the city council, five are members of trade-unions; of five Socialist supervisors, four are members of trade-unions; of six Socialist members of the state legislature, four are members of trade-unions. In the words of the state secretary of the Socialist Party of Wisconsin, in that state, "The trade-union movement is the economic wing, and the Socialist Party the political wing of the labor movement." Another fact showing the tendency of trade-unionists to co-operate with socialists in the political field is brought out in the following statement from the national secretary of the Socialist Party:

Of the 275 congressional candidates nominated by the Socialist Party in the last election (1906) more than 65 per cent held membership cards in trades organizations, and a large percentage of the balance were men engaged in occupations where no unions exist.

When trade-unionists do not support the socialists, they generally favor the next most radical candidate. In the New York gubernatorial campaign of 1906, for example, the Democratic candidate, Mr. Hearst, received a large part of his support from the trade-unions. Union after union indorsed his candidacy, and several unionists were put upon the stump by his campaign managers.

It is a significant fact that many prominent labor leaders are now urging their followers to strike at the ballot-box. They go beyond the position taken by the executive council of the American Federation of Labor, and say that this is the only solution of the labor problem. Among those who have lately taken that position is President Small of the Commercial Telegraphers' Union. He has declared to the striking telegraphers that,

One man at the polls is worth a dozen men on picket duty. This fight [between wage-workers and capitalists] will go on as long as capitalism exists, and right voting is the only thing that will win a permanent victory.

One may ask why trade-unionists are now beginning to favor independent political action. Doubtless there are many contributing causes, but the chief factors seem to be these: (a) Failure of the trade-union lobbies at Washington and at the state capitols; (b) Political activity of employers' associations; (c) Privation and loss incidental to strikes; (d) Success in politics of foreign trade-unions; (e) Socialist agitation.

The effects of these forces can be clearly traced. In the resolutions of the executive council of the American Federation of Labor, quoted above, and upon many other occasions trade-unionists have expressed their dissatisfaction with the treatment which they have received at the hands of our legislatures. They claim that their demands have been ignored and their bills pigeon-holed. At the same time the lobby of the employers' associations seems to have been remarkably successful. Ex-President Parry of the National Manufacturers' Association claims that it was largely through his efforts that the eight-hour legislation and anti-injunction bills advocated by the labor leaders failed of passage. Under these circumstances labor leaders seem to feel that if they cannot meet employers on equal terms at the lobby, they should appeal directly to the voters. Thus they hope to secure representatives in our legislatures pledged to support labor measures.

It has been well said that every strike is a socialist opportunity. Then it is that wage-earners feel most keenly the conflict with capitalists. And then it is that they are most ready to

listen to any measure which promises to curtail the employers' power. This is especially true if the workers are forced to endure the privation of a long and bitter struggle. At the time of the anthracite coal strike of 1902, for instance, the socialist vote in Pennsylvania increased several hundred per cent. It is said also that the strike at the Chicago packinghouses in 1904 was directly responsible for the election of two socialists to the Illinois state legislature.

It is difficult to say to what extent the success of working-men in politics abroad has affected the attitude of American trade-unionists. But when the Independent Labor Party sent twenty-nine representatives to the English Parliament a deep impression was made upon American unionists. In other European countries, notably France and Germany, working-men have long supported strong socialist parties. As, however, conditions are quite different in those countries from those prevailing in the United States, the example has not appealed with especial force to American wage-earners. The success in politics of the working-men in Australia and New Zealand has not been without effect. In the former country, after the employers had practically destroyed the trade-unions, the workers resorted to independent political action. They now hold the balance of power there, as in New Zealand, and have succeeded in passing many of their important measures. Moreover, as times goes on, the labor party in those countries is becoming increasingly socialistic.

Finally, the trade-union offers a peculiarly favorable field for the socialist agitator. Every union meeting affords a forum. In the course of time half a dozen intelligent socialists will leaven a whole union. It is true that many unions have constitutional provisions barring the discussion of politics; but the socialists can get in their work without even mentioning politics or the word socialism. Moreover, trade-unionists are much more willing to listen to the socialists today than they were five or ten years ago. At the meeting recently held by the striking telegraphers at Chicago, no speakers were more warmly received than the socialists who frequently addressed them.

Thus we see how many forces are operating to bring trade-unionists to united and independent political action. Hitherto one of the chief distinctions made between trade-unionism and socialism has been that the former was purely economic, while the latter was political. If American trade-unions continue getting into politics this distinction will eventually lose most of its force here as it has done already in England and in several other countries.

3. COLLECTIVE OWNERSHIP.

The third and most distinctive characteristic of a socialistic labor movement is a demand for co-operative ownership and operation of the means of production and distribution. Has this idea been getting any foothold in American unions?

In recent years the socialist delegates have always been more or less prominent in the convention of the American Federation of Labor. They have usually endeavored to pass resolutions favorable to collective ownership of the means of production, but have never been entirely successful. The strength of the socialists in these conventions can be judged fairly well by the fact that in 1905 representatives of about 214,000 members voted for socialistic resolutions, while representatives of 1,128,000 voted against them. This was certainly a very large majority for the anti-socialists, but it should not be overlooked that the vote indicates about 20 per cent of the trade-unionists are socialists. Socialism has, it appears, been making much greater headway among trade-unionists than among the rest of the population. For if 20 per cent of all citizens in the United States should vote the Socialist ticket, the party would poll about 3,000,000 votes.

Several conventions of state federations of labor have officially declared for collective ownership and operation of the means of production and distribution. Such resolutions were passed as early as 1900 by the Wisconsin State Federation of Labor; in 1901 by the Michigan State Federation of Labor; in 1902 by the Iowa State Federation of Labor and in 1903 by the Minnesota State Federation of Labor.

Similar resolutions have been passed in recent years by the central federated unions of New York, Cleveland, St. Louis, Milwaukee, Columbus, Erie, Wilkesbarre, Haverhill, Brockton, Terre Haute, and in many other cities. Of course this does not necessarily mean that even a majority of the trade-unionists in these cities are socialists. But it does mean that at the times when these resolutions were passed at least a majority of the delegates representing the unions of the city were socialists.

In the last decade several national and international unions have officially indorsed the socialist programme by resolution, constitutional provision, or otherwise. Among these are the following:

International Association of Machinists....	48,000 members
Pattern Makers' League.....	9,000
United Metal Workers.....	22,000
Boilermakers and Iron Ship Builders....	14,000
Amalgamated Engineers	2,000

United Brewery Workmen.....	39,000
Bakery and Confectionary Workers.....	14,000
Boot and Shoe Workers.....	32,000
Textile Workers	10,000
Ladies Garment Workers	1,800
United Cloth, Hat and Cap Makers.....	33,000
Woodworkers	20,000
Flint Glass Workers	10,000
Amalgamated Glass Workers	2,800
Carriage and Wagon Workers.....	3,200
Western Unions, incl. W. F. of Miners..	100,000
Total.....	330,800

While all these unions have indorsed socialism in one way or another, it does not follow that majority of the members in every case are socialists. In fact, the secretaries of some of these unions have stated that their unions cannot be considered socialistic organizations. Delegates of such unions sometimes pass socialistic resolutions one year which are repudiated by another group of delegates the following year. As a general rule, however, any union which has passed socialistic resolutions in the past six or eight years may be looked upon as favorably disposed to socialism.

There are many unions having a large proportion of socialists which have never passed socialistic resolutions. Among these may be mentioned the Cigarmakers with 45,000 members, the Printers with 47,000 members, and the Carpenters with about 145,000 members. Over a third of the Cigarmakers are socialists. The proportion in the other two organizations is probably not so large.

Aside from noting the passage of socialistic resolutions there are several other ways by which one may judge the growth of sentiment favorable to collectivism among trade-unions. We can learn much, for example, from the opinions of labor leaders, the attitude of the trade-union press, and the general support which unions are giving the Socialist Party.

The editor of the *Switchmen's Journal* states, for instance, that judging from personal observation and the correspondence which he receives from members, there is a strong tendency toward socialism in the Switchmen's Union (about 15,000 members). The secretary of the Brotherhood of Painters, Paperhangers, and Decorators (65,000 members) states that there is a marked tendency toward socialism in that organization. The opinion of the secretary of the Bricklayers and Masons Union is that in his organization (68,000 members) "there is a very

large growing sentiment favorable to many of the ideas that are advocated by the socialists as a party."

One of the best indications of the growth of socialistic sentiment in trade-unions is the attitude taken by their official journals and newspapers. A decade ago, not only were there few union papers advocating socialism, but there were relatively few which would print socialistic articles and communications. To-day all this is changed. Nearly all the union magazines and papers will print articles and letters for or against socialism, and a growing number advocate the socialist solution of the labor problem. Among the union papers which openly advocate socialism may be mentioned the following:

1. *The Cleveland Citizen*. Owned and controlled by the United Trades and Labor Council, Cleveland, Ohio.
2. *The Labor World*. Organ of the Trades Assembly, Columbus, Ohio.
3. *Labor*. Indorsed by the unions of St. Louis.
4. *The Toiler*. Indorsed by Central Labor Union, Terre Haute, Indiana.
5. *The Social Democratic Herald*. Official journal of Milwaukee Trades Council, and the Wisconsin State Federation of Labor.
6. *Union Labor Journal*. Indorsed by Central Labor Union, Erie, Pennsylvania.
7. *Central Union Times*. Indorsed by unions of Jacksonville, Florida.
8. *The Laborer*. Indorsed by unions of Dallas, Texas.
9. *The Crisis*. Organ of Salt Lake City unions and the Utah State Federation of Labor.
10. *The People's Paper*. Indorsed by the unions of Santa Barbara, California.
11. *The Brewers' Journal*. Owned and conducted by the National Brewery Workers' Union, Cincinnati, Ohio.
12. *Bakers' Journal*. Owned and conducted by National Bakers' Union, Chicago.
13. *The Glass Worker*. Organ of the Amalgamated Glass Workers, Chicago.
14. *The Miners' Magazine*. Owned and conducted by the Western Federation of Miners, Denver, Colorado.

Other national organs, such as the *Machinists' Journal*, *The Painter and Decorator*, and the *Switchmen's Journal*, incline strongly toward socialism.

Aside from these official organs of local and national unions there are a large number of socialist papers which receive much of their support from trade-unionists. For instance, about 550

local unions have subscribed to the *Appeal to Reason*, a radical socialist weekly, to be delivered to each of their members, or a total of over 40,000 individual subscriptions. The same paper probably has upon its list at least as many more individual trade-unionist subscribers.

A large part of the stock sold to equip the *Chicago Daily Socialist* was purchased by local trade-unions, as unions. In the same way the unions of New York are supplying fully one-half of the funds with which to start a local socialist daily. The fact that trade-unionists are giving such extensive support to socialist papers shows that they are becoming increasingly favorably to socialistic ideas.

Not only in purchasing their literature but in other more direct ways trade-unionists are aiding the socialists. The Brewers' Union, for instance, contributed \$500 to the campaign fund of the Socialist Party in the last national election. Local unions in all parts of the country frequently contribute to socialist campaign funds. Indeed, the organizer of the Socialist Party in New York City states that not only are at least 60 per cent of the local dues-paying members of the party trade-unionists, but that the party receives 35 per cent of its annual campaign funds in contributions from trade-unions. These facts are all the more remarkable when we consider that trade-unions seldom, if ever, contribute to other political parties.

All these facts, the passage of socialistic resolutions, the opinions of labor leaders, the attitude of the trade-union organs, and the general assistance which trade-unions are giving the Socialist Party, show that American trade-unionists are inclining more and more toward the collectivist programme.

The causes for the favorable attitude of trade-unionists toward collectivism are rooted deep in modern economic conditions. The majority of trade-unionists are manual laborers. Of course more or less intelligence and skill are required in their work, but as a rule they deal with physical forces and physical products. They work with visible, tangible things. In factory, mine, and mill the process of production apparently consists solely in the application of physical force to material objects. Few trade-unionists have anything to do with the investment and management of capital or with the marketing of products. Hence they usually fail to see how these activities have any connection with the actual production of commodities.

The present-day middle-class philosophy of rights generally recognizes the act of production as the ultimate source of property rights. All wealth belongs to the producer thereof. When

trade-unionists more or less consciously apply this philosophy to modern productive processes, they begin to feel that they, the producers of physical goods, should get the entire product of the establishment. They cannot see that the capitalist renders any productive services, and hence they cannot understand how he is entitled to any share of the product.

Of course relatively few wage-earners consciously formulate any of these propositions. Nevertheless the great majority of working-men hold to such views more or less strongly. Regarding millionaires, for example, no expression is more common among wage-earners than that, "they got rich off our labor." One cannot discuss the distribution of wealth with the average trade-unionist for five minutes without hearing this sentiment expressed in some form or other. Indeed, so strongly is this idea rooted in the minds of the workers that several trade-unions have inserted it in the preambles to their constitutions. In the preamble to the constitution of the Bricklayers' Union, for instance, one reads that, "The trend of employers, assisted by combined capital, is to debase labor and deny it its lawful and just share of what it produces;" in the preamble to the constitution of the International Association of Machinists it is stated to be "The natural right of those who toil to enjoy to the fullest possible extent the wealth created by their labor;" the preamble to the constitution of the Iron Molders' Union declares that, "Under the present social system there is a general tendency to deny the producer the full reward of his industry and skill." Some unions especially in the West have made even more radical assertions.

These quotations illustrate a very general attitude among trade-unionists. They feel that the capitalist is more or less of a parasite living upon wealth produced by others. He is a fifth wheel in the industrial mechanism. He does nothing but extract profits. Hence unionists naturally favor an industrial system in which there will be no capitalists, and the entire economic output will be divided among the workers.

Not only do trade-unionists want a larger share of the economic output, they are also striving to gain greater control over the conditions under which they work. This is apparent in their agitation for the union shop, shorter hours of labor, better sanitary conditions, and protection against dangerous machinery. They usually seek to gain their end in two ways — directly from the employer and indirectly through the state. In so far as the resort to the state — and they are doing so more and more freely — the unions will find themselves in close relations with the socialists, with whom they will undoubtedly find it advantageous to co-operate.

Indeed, socialists go but a short step beyond trade-unionists when they demand co-operative onership and operation of the means of prouction and distribution. Both trade-unionist and socialist believe that the wage-earner should secure a larger share of the wealth produced, and that he should have greater control over the conditions of his employment. The socialist maintains that the co-operative ownership and control of capital by the workers is the best if not the only means of attaining these ends. Apparently trade-unionists are coming to be more and more disposed to indorse the socialist position.

The evidence cited above seems to show quite conclusively that unionism and socialism are fundamentally associated. In a paper of this kind it is necessary to treat the subject somewhat dogmatically. The tendencies are, however, undoubtedly as described. American trade-unions are becoming more class-conscious; they are going into politics; and they are beginning to demand collective ownership and management of capital.

Some unions manifest these tendencies less markedly than others, but the general tendency is unmistakable. In view of these facts the writer feels that it is not rash to predict that in the course of a few years the situation now prevailing in Wisconsin will become general throughout the United States. "The trade-union movement will be the economic wing, and the Socialist Party the political wing of the labor movement."

JOHN CURTIS KENNEDY.

The University of Chicago.

(From the Journal of Political Economy.)

Another Foreign Language.

In view of the fact that an effort is being made to impose a new and strange language upon a world already too much linguistically divided, and that some if not many socialists are joining in that effort, it will, perhaps, not be considered superfluous or impertinent for another socialist to make a few observations thereon. And now is an appropriate time for discussing the matter as there are rumors of an intention to bring the project before the Internationalist Socialist Conference for endorsement.

It of course cannot be denied that the existing diversity of languages throughout the world is the cause of very much inconvenience, confusion, misunderstanding and estrangement, and that the universal adoption of one common form of speech would be of inestimable advantage to all mankind. The Socialist advocates of this designed to be universal language bring the additional argument to hear that its introduction and use would be of great value to the Socialist movement, by making, as they claim it will, a highly convenient means of communication between the different divisions of the international body. It would also be, as they assert, a most powerful instrument in establishing a closer and stronger bond of union between comrades now entirely unknown to each other.

The object is certainly one worthy of our best efforts as some such mechanical connection between the parts seems absolutely essential to the success of a world movement such as Socialism is. A little examination however, of the obstacles to be overcome will show that the hope our zealous comrades entertain regarding the possibilities of this or any other new medium of communication, is chimerical in the extreme. That desirable as the object undoubtedly is, it cannot be attained in any reasonable time, if at all, by means of a new and artificial language no matter how easily it may be learned.

Similar experiments have been tried before and we are all familiar with their fate. The pages of history are strewn with the records of their untimely deaths, which alone would be almost enough to discourage other like attempts. In answer to this objection, it is claimed that Esperanto is so much more simple in its construction, so much more comprehensible, so marvelously easy of acquirement and so much better adopted to the purpose of its being than any that have gone before or that now

exist that it is in no danger of meeting the fate of its predecessors.

Now all this may be perfectly true but in these strenuous days and under the present industrial slavery, when almost every man's time, particularly those in the socialist party, is taken up with the absolute necessary work of fighting the capitalist for a living, he has little leisure or inclination for any mental or physical exertion which has no promise of immediate personal or class benefit.

Furthermore the great body of international Socialism is made up by men and women who have little capacity for the learning of a new language be it ever so simple. Even under the most favorable conditions that could be imagined, its use would not extend beyond a few intellectuals who might find it convenient for personal intercourse. But that would have its objectionable side, in that it would create a sort of hierarchy in our councils which would deliberate and perhaps promulgate its conclusions in a strange and unknown tongue, and that, obviously, could not be tolerated for a moment in any community or organization of Socialists. These considerations would seem sufficient to deter any comrade from committing himself or endeavoring to commit the party to a proposition whose success is so extremely improbable.

A still stronger argument can be advanced against the launching of this new linguistic creation, which is that we now have ready to our hands a much more powerful and effective instrument than any artificial or spontaneous production could ever be, viz., the English language.

Any one who has observed the movements of population over the earth's surface of late years must have been struck with the magnitude of the gravitation of all nationalities towards English speaking countries. The irresistible force of economic necessity is driving millions of the inhabitants of the Eastern hemisphere to the shores of America, to Australia and to South Africa where they are compelled by force of circumstances to learn the language and where their children learn no other.

Not only that, but English speaking people, traders, tourists, pioneers, explorers and adventurers are pushing their way into every part of the known world, impressing themselves and their speech so strongly upon the nations of those lands as to excite in them an eager desire to know the language, a desire shared by all classes.

Look for a moment at the status of that language to-day. England with her thousand colonies. The United States dominating the Western hemisphere and stretching an arm out to the antipodes, each spreading a knowledge of the mother tongue

over great and ever greater areas of the earth's surface, with the result that the whole world is now practically doing homage to the sturdy Anglo-Saxon speech.

There was a time not many years ago when French was the language of diplomacy, the language that gave some promise of becoming universal, the language that every gentleman of education was obliged to know.

Now that proud distinction is passing to English and all conditions seem to be shaping themselves for its perpetuation and for its universal sway, the adventurousness of the Briton combined with the enterprise and boldness of the American make a force for the predominance of English against which nothing can prevail.

We the victims of an unprincipled plutocracy justly decry the possession of great individual fortunes and condemn the manner of their acquisition and use, but we must acknowledge that the possessors of that wealth are by their travel and sojourn in foreign lands, helping greatly to spread the knowledge of this coming common tongue in the remotest parts of the world. Thus, by their wanderings and social alliances they are unconsciously, but none the less certainly, preparing the way for a more effective Socialist propaganda, and are large factors in the laying of that foundation upon which the superstructure of solidarity will be constructed.

The forces, therefore, seemingly arrayed against us, are in reality co-operating with us for the establishing of that brotherhood of man and that ideal society ultimately to arise from the present anarchy and chaos.

Granting then that English promises to be the universal language the question suggests itself, in what way does it particularly concern us? Of course we as Socialists are indifferent as to what form of speech will prevail whether it be English, German, Italian, Russian, Egyptian or Yiddish. But assuming it to be English, it is important that the language which is to play so great a part in our work of propaganda should be made as easy of acquisition as possible. To that end, therefore, it is pertinent for Socialists to consider ways and means for its simplification and further extension.

As we have seen, the language is being widely advertised, so to speak, but unfortunately its written form is presented to the world with all its flagrant absurdities, inconsistencies and exasperating exceptions so that the normal difficulties involved in the study of a new language are increased a hundredfold. A native of an English speaking country has no realization of the mental and physical wear and tear the foreigner suffers in trying to master the tongue. The great variety of words to express

different shades of virtually the same meaning and the eccentric use of the same letter to convey different sounds, are enough to discourage the most persevering.

If with these difficulties, and many others that might be named, the language has forced its way to the position it now holds, how much more rapid would be its extension if relieved of those great handicaps.

Of course it is all a most beautiful, perfect and reasonable system to us who are to the manner born, and we, that is some of us, can discourse very learnedly on the derivation, definition and sensibleness of every word, and explain, to our own satisfaction, anyway, the necessity of using a vast multitude of absolutely superfluous letters in their construction.

A foreigner may think that the only proper function of writing is to express the sound of the spoken word, but we smile at his ingenuousness and inform him that such a use is really a secondary consideration. We say, in effect, that every coach requires a fifth wheel. That all these apparently useless letters are really necessary to make the form a thing of beautiful and symmetrical proportions which it is—not. In truth our system of spelling has been established by custom rather than by reason, and we Socialists know that custom is the greatest enemy to progress the world has ever known.

If we are to be consistent in our beliefs and in our professions as scientific Socialists we must favor the greatest possible extension of the labor saving idea to productive industries, and improve every opportunity to encourage the introduction and application of devices for the elimination of superfluous work. And where is there a more inviting opportunity than in this industry of writing, the greatest of all industries?

It is perfectly fitting and proper, therefore, for us to take an active part in modifying our form of spelling, and aid in the attempt to reduce it to a system based on simplicity with the greatest utility and thereby lessen not only the physical labor of writing for ourselves, but also make the learning of the language easier for those who by economic necessity or for literary culture take up its study.

The peculiarities of English spelling are so well known that it would be superfluous to give examples here but in order to illustrate the point that the only proper function of writing is to convey the sound of the spoken word a few specimens of orthographic freaks will be submitted together with the common sense substitutes:

Old.	New.	Old.	New.
acknowledge	aknolej	missed	mist
above	abov	meagre	meger
brighten	briten	neighbor	nabor
bouquet	boka	noticed	notist
Coffee	kofy	occasion	okazhun
character	karaktur	oppressed	oprest
delight	delite	possessed	pozest
discipline	disiplin	persuasive	purswaziv
encourage	enkuraj	queen	qene
entrance	entrans	quadruple	qodrupel
follow	falo	righteous	riteyus
fascinate	fasinate	sought	sot
grotesque	grotesk	resolve	rezolv
glass	glas	suspicious	suspishus
honorable	onorabel	taught	tot
hour	our	thorough	thuro
island	iland	eucharist	ukarist
income	inkum	unconscious	unkonshus
jealousy	jelusy	voracious	vorashus
journey	jurny	native	nativ
kick	kik	virtue	virtu
knee	ne	write	rite
loquacious	loqashus	whence	whens
lapse	laps	youth	uthe

In this table of words in everyday use a saving of about 22 per cent. can be made by using the improved spelling, which is some indication of the enormous waste of time, energy and material under the old form. It will be observed that the revolutionary spelling follows certain simple rules which give it a ending with a vowel the vowel has the long sound as in tri, much greater degree of consistency. For example in words mi, si, pra, le and slo. Words ending with a consonant, add "e" to lengthen the vowel, as ran, rane; kot, kote; set, sete; etc. All the letters are restricted to their primary sounds so as to avoid such inconsistencies as bur, her and sir, which should sistences as her and sir, which should be spelled, hur or s. Where the proper phonetic spelling would lengthen some words it will be better to follow custom as in cold (kold) sold, bold, the aim being to lessen the labor as much as possible.

It is impossible of course to enter upon a full elaboration of this system in a short magazine article, but enough has been given to show that Socialists are just as much justified in eliminating, superfluous work in writing and printing as in any other department of human activity. In fact there is greater justi-

fication for the reason that the labor saving device can be applied to this industry without any initial expense or loss of time. It is simply a matter of the will and surely when the adoption of the improved form will be of great benefit to himself and to the party, is there any good reason for his hesitation or opposition?

L. JULIAN M. INTYRE.

New York, June 22, 1907.

A Program For A New Social Order.

I.

THE FIRST DEMAND OF THE PROGRAM.

The first demand of this program for a new social order is a tax on property equal to its income less interest on the improvements.

To illustrate: Let there be four pieces of property—a skyscraper, a factory, a mine, and a railroad—yielding respectively a net income for the current year of \$20,000, \$50,000, \$100,000 and \$10,000,000.

Let the standard rate of interest on money, at this time, and in the place where the property is situated, be four per cent per annum.

On this supposition these several pieces of property will pay a tax for the current year of \$20,000, \$50,000, \$100,000, and \$1,000,000, respectively, less four per cent on the appraised value of the improvements.

The foregoing fairly indicates the scope and purpose of the first demand of the program, which purpose is the absorption, by the community, of all income from property except the part thereof which is an income from the improvements. Only this latter remains an individual source of revenue.

II.

THE SECOND DEMAND OF THE PROGRAM.

The second demand of the program calls for the absorption by the community of all property having no improvements upon it.

THIS TAKES THE FORM OF A PROCLAMATION DECLARING THE SAME NATIONAL PROPERTY.

Under this Proclamation the nation at once becomes the owner of all naked town lots, all unused broad acres, all unopened mineral wealth, all forest or timber lands and so on.

III.

Simultaneous with its reductions to national ownership however, the national government turns over the entire body of this property to the several local governments or municipalities in which it is situate—saving certain reservations to be hereafter noted.

Thereupon, this municipally owned land, destitute of improvement, becomes "open to entry"; or, so to speak, can be acquired as individual property, without price, on a proper undertaking to improve it.

In other words, one will be able to obtain free, or without cost, such of this land as he is prepared to use and will undertake to suitably improve.

What suitable improvement means, in respect to any particular tract or parcel of land, will be determined by the ordinances of the municipality directly concerned.

Under the regulations of the city government of New York for instance, suitable improvement would presumably mean, in respect to a tract of ground in the business quarter, the erection of a very costly building.

On an equal tract of ground in the outskirts of the city however, a modest cottage home might be the only improvement required and demanded.

Further afield, or in the rural communities, where the proclamation will throw large areas of land open for use and improvement, the local regulations will doubtless enable one to obtain acreage property, free of cost, and go to farming, if he likes it, with practically no initial expense.

Thus if a man wants to make a home, secure a small allotment for intensive truck culture, fence and cultivate a field on land that no one else is using, build a factory and start an industry, the land will be given to him for nothing.

He will be under no necessity, as now, to pay out a goodly portion of his money for the mere privilege of improving. He can put the whole of his into betterments.

To be sure, after he has done this the tax gatherer comes along. But he always leaves the owner the prevailing rate of interest on the betterments he has effected—as also, of course an adequate allowance for depreciation.

With such a guarantee one cannot conceive any check to the improvement of property. Rather, indeed, it is reasonable to look forward to increased activity in this direction.

IV.

As we may suppose, of course, the people of each particular nation in the world—speaking through their Congresses, Parliaments, Reichstags or what not—will reserve from local jurisdiction, or retain as national property, such of the lands, falling to it under the proclamation, as seems to them wise and expedient.

Thus let us suppose the Congress of the United States of America to reserve, for administration by the national govern-

ment, the mineral wealth and timber lands escheating to the nation.

These timber lands, quite naturally, will be turned over to the existing national Bureau of Forestry. And its timber will be disposed of, from time to time, in a manner similar to that which the Forest Service now disposes of the timber from the existing national forests.

As regards the mineral wealth, the nation will not necessarily engage in the mining business.

It will grant or devise such wealth—without any purchase consideration—to whoever will take it out of the ground. The property becomes his, for nothing.

The property is only subject, as it comes to yield a net income, to the payment of an income tax, as made and provided.

This tax, by its very nature, as we have seen will leave the mine owner, in addition to all expenses of operation, wear and tear of his machinery and so forth, interest on the money he invests.

But it will leave him no income from the mine, as such, or from the land which the government gives him for nothing.

V.

RECAPITULATION.

This then is the net outcome of our proposal for the establishment of a new social order:

(I) A tax on improved property equal to its income less interest on the improvements.

(II) The reduction of property with no improvements on it to common ownership, and its transference at cost (or nothing) to bona fide improvers.

(III) The application of the tax to this latter property as soon as it yields any income.

If so be, of course, a piece of property which is already improved, or a piece of naked property after it is improved, yields no more clear income than interest on the improvements, then that property is absolutely immune from taxation.

VI.

THE COLLECTION OF THE TAX.

The programme advocates the collection of the entire tax by the national government.

But no portion of the revenue therefrom is to constitute a national income.

The ground is taken that the transition to the new social order must not be hampered by unnecessary innovation.

So, for the time being at any rate, no portion of the tax will be applied to national uses.

The several governments of the world will continue to derive their revenues from the customary channels of indirect taxation.

VII.

THE DISTRIBUTION OF THE TAX.

The national government is simply used by the people as a tool for the collection of the tax and its more or less direct distribution to themselves.

The concrete demands of the program in the matter of the distribution of the revenues from the tax are, substantially, as follows:

(I) All taxes must be paid over in their entirety to the several municipal governments within whose limits they are collected—saving such taxes as the national legislature, by specific enactment, may not see fit to distribute in this manner.

(II) That these latter taxes be “pooled,” or placed in a general fund for periodic division between all the local governments of the entire nation, *pro rata* to their population.

Thus suppose it be the expressed or implied will of the people of the nation that the taxes from the railways, from the mines, from the oil wells, the telegraphs and canals, as also the revenue or “stumpage” from the national forests, be placed in such a fund.

Very well then. This fund is divided between the local governments of the land. A town of one hundred thousand inhabitants will receive, out of such fund, a hundred times more than a hamlet of one thousand souls.

But each local government will be the direct beneficiary of the whole of the taxes levied upon property of a local character, such as its residences, stores and office buildings; its fields, factories and workshops.

To each local government will also accrue the taxes paid by the local public service corporations.

VIII.

THE EXPENDITURE OF THE TAXES.

Over the monies accruing to it from the tax, in the foregoing two ways, the local collectivity is sovereign.

Each municipal government applies its revenues to whatever objects and purposes conform with the common or collective sense of the neighborhood.

IX.

THE SELLING VALUE UNDER THE NEW SOCIAL ORDER.

Stated as clearly as may be, within the limits we have set ourselves in this communication, the foregoing is the substance of our program for the establishment of a new social system.

Under such an organization of things, by reason of the very character of the proposed income tax, the revenue or profit from the ownership of all property will be reduced to an equation with interest on the mere improvement or building value.

The owner of property as owner, can henceforward obtain no income from his property, other than the equivalence of interest on his betterments.

Any excess of income which accrues to the property owner over and above this does so, not in his capacity of proprietor, but as manager, superintendent, or actual renderer of services in the productive process.

In the last analysis, any income which a man gets, under this order, in excess of interest on his improvements, will be an income from his labor and ability.

Now, when the income from property is reduced to interest from the improvements, the market price of property will spontaneously fall to the worth of the improvements.

In a word, under the proposed new social order, the selling price of all property will spontaneously adjust itself at, or revolve round, the value of the betterments.

Not only will the market price of property of the more modest character adjust itself at this value, but all property of the most imposing nature.

When, for instance, the tax absorbs the whole of the enormous profits now being made by the railroads (saving interest of betterments and rolling stock) the whole of the value will be squeezed out of all railroad securities (saving the value of the betterments.)

Thereupon the stock exchange quotations of the securities issued by these corporations will fall to an equation with the appraised value of the betterments owned by the railroads.

The value of the securities of our mining corporations, of our industrial trusts, of the express and telegraph companies, and so on, will at the same time likewise undergo a parallel transformation.

X.

PUBLIC OWNERSHIP UNDER THE NEW SOCIAL ORDER.

Under the resulting new social organization the community will be free to establish, from time to time, as may be, whatever

quantum of public ownership—national, provincial or municipal—is deemed socially necessary and desirable.

When, for instance, in any country, there be a sufficiently voiced demand for the national ownership of the railroads, their nationalization will follow.

When the people of any municipality make up their minds to own their lighting plant, or any other enterprise, its municipalization will be a matter of course.

Moreover any movement in this direction will be immensely facilitated by the tax and the consequent reduction of the market price of these undertakings to the worth of their improvements.

XI.

THE COOPERATIVE COMMONWEALTH.

For, when the new social order we have in mind is established, and property falls in value to the price contemplated thereunder, public ownership will not be the big and difficult thing to consummate it now is.

But be this as it may. It is possible to conceive, through the gradual installation of such a form of ownership under the new order—through the steady absorption of improvements by the community and the consequent reduction of both land and the capital upon it to common ownership—the final organization of society into a Co-operative Commonwealth or Socialistic Order.

To be sure, if the world is determinedly set on this it will come. But we do not pretend to say whether it is or not.

XII.

CONCLUSION.

Such, in conclusion, is a summarization of our program for the realization of an essentially simple, but at the same time the most absolute revolutionary and most tremendous structural alteration of property since the world began.

Summarization as we say; for there are problems of detail which in this brief paper one may not venture to discuss.

This much however we hope to have made clear, that our proposed new social order is not a castle in Spain, but, whatever we may think of its equities, an eminently practical proposal, which in these days of universal suffrage can be instantly put into effect.

In a volume that will soon follow this brochure we have promulgated the programme at greater length and hope to have demonstrated not only the practicability but the justice thereof.*

Libby, Mont., U. S. A.

1892—1907.

HENRY BOOTHMAN.

* The New Social Order, cloth \$1, postpaid, from the author.

The Causes Of The Panic*

Lecture delivered in the Garrick Theater, Chicago, Sunday morning, Nov. 24, 1907.

That which is self-contradictory must be transitional; a house divided against itself cannot stand. Change is the law of all things, and the only thing in the universe that never changes is the law of change. Everywhere in the cosmos new combinations arise. If some endure longer than others, it is, so far as we can see, because their parts are more harmoniously related, while other less fortunate combinations are the victims of an internecine war, carried on between the various parts of the whole, and resulting in rapid, and, perhaps, violent disintegration.

Ninety-five thousand years is Morgan's estimate of the longevity of tribal Communism, and when we examine that social state and find that it contained no private property, no class divisions, no unemployed problem, we are able to form some opinion as to the reasons for its stability. On the other hand, capitalism, which contains all these things, and many more of the same nature, is tottering to its fall after a reign of little more than a century.

The truth is that the existing social order is a mass of contradictions; its main feature is the antagonism of its parts. To explain how these antagonisms arose, in what they consist, and how they may be abolished, is the task of sociology. So far, the efforts of the official sociologists have resulted in a dismal failure. "We have no real science of society," wailed Benjamin Kidd, and it was impossible for a thinker of his theological tendencies and class affiliations to perceive the reason.

Perhaps no greater misfortune could befall any man, following the university for a profession, than to hold a chair in sociology, or its subdivision, political economy. The most rudimentary attempt to apply to sociology those illuminating methods which have transformed physics and biology, brings him face to face with the fact that the people who have endowed his chair, and to whom he is indebted for his salary, belong to a class of

* Permission Indiana Socialist.

useless social parasites, who expect his theories to harmonize with the way they get their living.

And so he must choose between the loss of his position, and becoming a practitioner of the noble art of "how not to do it."

In political economy the case is even worse. The professors of political economy have danced on hot plates, and in their efforts to escape the truth have exhibited an intellectual dexterity that has made their so-called science a perpetual comedy. At last, realizing instinctively the hopelessness of their position, they have stopped thinking altogether, and have degenerated into mere collectors of statistics.

Nowhere does this colossal incapacity, resulting from compulsory self-stultification, appear more clearly than in their abortive speculations as to the causes of panics.

In point of absurdity we are fairly safe in awarding the cap and bells to the English economist, Stanley Jevons. Endowed with a brain which had much in common with that of Mr. Mallock, he succeeded in attracting much attention to his theory of sun spots. It appeared to Jevons that sun spots showed periodical fluctuations which ran in cycles of about ten years. If the presence of many sun spots meant unusual activity on the face of the sun, that would mean the radiation of more heat, which would mean more sunshine for the earth, consequently better crops, and, therefore, a season of prosperity. On the other hand, when sun spots were scarce, sunshine would decrease, cold and wet weather would prevail, crops would fail, and then would come the panic.

Unfortunately, Sir William Herschel, the greatest astronomer of that day, declared that it was impossible to say whether or not the sun spots had anything to do with the climate, deciding that on this point "nothing decisive can be obtained." Again, the dates of the various panics contradicted or supported the sun spot dates with an impartiality which led Mr. Jevons to express his "disgust" with the behavior of both.

These difficulties, however, did not prevent the publication of an extensive literature on the theory and the printing of enough books to load a ship.

In his "Commercial Crises of the Nineteenth Century," H. M. Hyndman dismisses Jevons' theory as follows: "This theory was actually accepted for a time, until what was perhaps the worst crisis of the century came in the same year with one of the finest harvests ever known on the planet, and when also the sun's disc was exceptionally afflicted with spots. Then it became apparent to the most credulous that the spots on the sun had as much influence on industrial crises as the spots on the leopard

in the Zoological Gardens; and that the genius before whose shrine our professors of political economy at Oxford and Cambridge still prostrate themselves had only added another to his long list of blunders."

In the first half of the last century panics had become a recognized item in English social life, and many theories as to their causes were put forward. The theory that there was too much paper that was not backed by gold, until people lost confidence in it, was pressed by so many that in 1844 the Peel Bank Act was passed. This law divided the Bank of England into a banking department and an issue department. The banking department could only get notes from the issue department by depositing an equal amount of gold with the latter. When the banking department was called upon for deposits, in order to get the gold it had to return the notes, which were thus withdrawn from circulation. This act had no effect in staving off panics, but instead had to be itself suspended during the three successive panics of 1847, 1857 and 1866, the first suspension occurring only three years after the passing of the act. A similar act adopted by Austria met the same fate.

In fact, panics seem to pay little attention to monetary systems or currency regulations.

Prof. Jones, of Wisconsin University, who took his degree by writing on this question, and whose book is perhaps the most extensive extant on the subject, says: "The diversity of monetary conditions among the principal countries of the world, coupled with the fact that most of them have been visited by crises, warns us from attaching too much importance to details at this point."

We may here dismiss that group of idealists who hold the "psychological" theory of crises. Horace White, who is a type of this school, observes: "These undulations of trade, of alternate activity and depression in business, have their root in the mental and mortal constitution of mankind." This is, of course, the precise opposite of the position of the materialist who maintains that things mental and moral grow out of the material facts, and that these latter are the "root."

"Loss of confidence" is a result of the panic, and has no place in any statement of the "causes."

Insufficiency of gold, wild-cat speculation, the greed of trusts, and many other things of the same order undoubtedly accentuate the horrors of a panic, and, it may be conceded, that some of them hasten its coming. But he would be a bold Socialist, or rather, no Socialist at all who would assert that any

one, or all of the above mentioned items combined, would be sufficient to explain the phenomenon we call a panic.

We shall now take up the Socialist explanation of this problem.

We shall here dispense with that analysis of the origin and growth of capitalism, bringing with it those various antagonisms essential to its nature, which has been so brilliantly presented by Engels in his reply to Duehring.

But before proceeding to the main theory we shall consider the antagonism described by Engels as "An antagonism between the organization of production in the individual workshop and the anarchy of production in society generally." This anarchy in general production has played an important part in all crisis. As no one capitalist knew what other capitalists were doing with regard to the supply of any commodity, all engaged in a mad rush to get to the market first and dispose of their goods.

It is just at this point that the Revisionists, who claim to have outgrown Marx and discarded his obsolete theories, imagine they have found an excellent foothold for their criticism. Anarchy of production, Bernstein maintains, belongs to the early stages of capitalism, and the crises, produced by that cause, will disappear as capitalism reaches later stages.

This was to be accomplished by the trusts regulating production according to the normal demand. Unfortunately for Marx, this could not be foreseen in his day, so his theory explodes and his self-appointed successor, Bernstein, comes forward to take his place. It must be a little disconcerting, however, to have so many Socialists object to the substitution.

Nay, the trusts had already sufficiently regulated industry as to break through the cycle of crises so that they did not reach over into the twentieth century, although one was supposed to be due about the beginning. The appearance of a panic at this time, in the most trustified country in the world, while it may not shake Bernstein's faith, will probably lose him some followers.

"Their (the Revisionists') mistake lies," says Louis Boudin, one of the foremost Marxian scholars in America, "in assuming that the 'anarchy of production' is, according to Marx, the only cause of commercial crises. As a matter of fact, the cause mentioned is not only not the only, but not even the chief cause of crises mentioned by Marx."

That chief cause, says the same writer, is a "constant" factor which no trust can ever regulate, and which cannot be abolished until the capitalist regime is abolished. It is "the dual position of the laborer as a seller of his laborpower and a purchaser of

the products of his labor-power, and the creation of a surplus-product flowing therefrom which must result in an overproduction of commodities quite apart from the 'anarchy of production.'"

Overproduction, or, as it is sometimes expressed by its other phase, compulsory underconsumption by the working class, is undoubtedly the real cause of panics.

This theory is referred to as "orthodox" and "rather stereotyped," both of which criticisms apply with even greater force to Gravitation and the diurnal motion of the earth. The only thing that is relevant is the question of its truth. Revisionism, with an air of profound wisdom, hints like Hamlet, "I could an' I would," and suggests that great truths have been discovered, which are destined to replace the fallacies of Marx and Engels. Some day we shall be told what these epoch-making principles are, and "the jig will be up." For the present, however, revolutionary conservatives will have to wait until Bernstein lets the cat out of the bag.

One reason for the orthodoxy of the overproduction theory is that its truth is so readily perceived. The great Utopians made no mistake on this point. Robert Owen understood what had happened at the close of the war of 1815.

He said: "The war was the great and most extravagant customer of farmers, manufacturers, and other producers of wealth, and many during this period became very wealthy. * * * And on the day on which the peace was signed, the great customer of the producers died, and prices fell as the demand diminished, until the prime cost of the articles require for war could not be obtained. * * * Barns and farmyards were full, warehouses loaded, and such was our artificial state of society that this very superabundance of wealth was the sole cause of the existing distress. Burn the stock in the farmyards and warehouses, and prosperity would immediately recommence, in the same mannner as if the war had continued."

Fourier called the crisis "a crisis from plethora," when "abundance becomes the source of distress."

Jones says: "The first writer to furnish a consistent theory of the relation between crises and the industrial problem generally was Rodbertus."

Rodbertus' book made its appearance in the middle of the last century, in the form of a letter to his friend Kirchmann. Of this letter Marx said: "It sees through the nature of capitalist production."

Rodbertus says: "If every participant in exchange always retained the entire product of his labor, if his purchasing power,

therefore, consisted in the market value of the entire product, then no glut could arise from an increase of productiveness; either in respect to any one or to all commodities, until all the participants had received enough of them for their use, until more of them had been produced than is required by society."

Marx, in the second volume of *Capital*, expresses the same theory thus: "The production of surplus value, and with it individual consumption may be in a flourishing condition, and yet a large part of the commodities may have entered into consumption only apparently, while in reality they may still remain unsold in the hands of the dealers; in other words, they may still be actually in the market. "Now, one stream of commodities follows another, and finally it becomes obvious that the previous stream had been only apparently absorbed by consumption. The commodity capitals compete with one another for a place on the market. The succeeding ones, in order to be able to sell, do so below price. The former streams have not yet been utilized when the payment for them is due. Their owners must declare their insolvency, or sell at any price in order to fulfill their obligations. This sale has nothing whatever to do with the actual condition of the demand. It is merely a question of a demand for payment, of the pressing necessity of transforming commodities into money. Then the crisis comes."

H. M. Hyndman, one of the foremost Socialist scholars of England says: "The times of greatest distress for the mass of the people now, are the times when there is a complete glut of the commodities which they need and which they make."

By far the clearest and most graphic of all the statements of this theory is the one by Engels, in his reply to Duehring: "Since 1825, when the first general crisis broke out, the whole industrial and commercial world, production and exchange among all civilized peoples and their more or less barbaric hangers-on, are thrown out of joint about once every ten years. Commerce is at a standstill, the markets are glutted, products accumulate, as multitudinous as they are unsaleable, hard cash disappears, credit vanishes, factories are closed, the mass of the workers are in want of the means of subsistence, because they have produced too much of the means of subsistence; bankruptcy follows upon bankruptcy, execution upon execution. The stagnation lasts for years; productive forces and products are wasted and destroyed wholesale, until the accumulated mass of commodities finally filter off, more or less depreciated in value, until production and exchange gradually begin to move again. Little by little the pace quickens. It becomes a trot. The industrial trot breaks into a canter, the canter in turn grows into the headlong gallop of a

perfect steepchase of industry, commercial credit, and speculation, which finally, after breakneck leaps, ends where it began—in the ditch of a crisis. And so over and over again.”

Professor Jones describing Rodbertus’ theory, very cleverly depicts and illustrates the futility of the methods adopted by capitalists to stave off the panic: “The accumulation of a surplus implies a curtailment of the market. The attempt to employ this surplus productively calls for an expanding market, and if this is not found the profits of capital invested in production begin to fall. So long as the capitalist attempts to prevent this fall of profits by reducing wages, he reduces the demand and tightens the noose which strangles industry. Like the backing horse with the lines wound around the hub, every movement to comply with the apparent demands of the situation only tightens the pressure.”

The women workers of New York held a meeting in 1893 to discuss the panic of that year. They were not economic scholars, but they concluded from their own observations that the only hope was in the consumption of the things which still remained on the overloaded market. They said to their messenger to the rich women of the city: “Tell them not to cut off their luxuries.”

That the present panic, like the rest, is the consequence of overstrained markets, seems to be the opinion of the Wall Street Journal, which has about the best news service in the world. The issue of Friday, Nov. 15th, contains the following:

“Ever since the beginning of the year, thoughtful observers of the situation have been looking for a contraction of business. These observers, however, were mostly in the East and in closer touch with the strictly financial conditions, so that they could feel the strain which was being experienced in all the international markets.”

So, “the ditch of a crisis” is the result of the gap between the price of labor power and the value of the commodities which that labor power produces. The trust may regulate industry and modify the anarchy in production, but it can not reduce that gap. On the contrary it does actually widen the chasm by increasing the productivity of labor more rapidly than it increases wages, thus increasing the ratio in which labor is exploited, and, though wages remain stationary or even advance, really reducing the worker’s purchasing power relatively to the increased value of his labor products.

So, “the vicious circle,” in spite of all that trusts can do, grows more vicious, and its movement as Engels says: “becomes

more and more a spiral and must come to an end, like the movement of the planets, by a collision with the center."

The one insoluble problem of capitalism is to dispose of its surplus products. They remain in its system, producing convulsions, which must eventually result in its death. Its hopeless inability to reconcile that contradiction guarantees the impossibility of its perpetuation.

The soil is prolific as ever, the bowels of the earth teem with the fuel and metals which men require. We have the most highly productive machinery the world ever saw, and workers by the million beg the chance to keep the wheels revolving. Society possesses everything necessary to abundantly supply all the wants of all her children. But class ownership of the means of production grips her like a palsy, and poverty stalks abroad in the midst of plenty.

Says Rodbertus: "What, then, should society do? She must step out of this fatal circle, in which she is driven about by prejudices alone, and replace the 'natural' laws, in so far as they are harmful, by rational ones! For this she needs but clear vision and moral strength! It is the part of political economists to sharpen the first. Should the last be lacking for a free resolve, history will indeed have to swing the lash of revolution over her again."

ARTHUR MORROW LEWIS.

EDITORIAL

What of the Future?

Last month it was a question as to whether there would be an industrial crisis. That question is now settled, unfortunately in the affirmative. The crisis is now upon us. From all directions come reports of countermanding orders, discharging of men, reduction of output, closing down of shops and all the other signs of an industrial crisis.

Steel, long taken as the barometer of industrial prosperity has been the first to feel the shock and has given forth the most striking manifestations of the falling market. The iron trade journals announce that the United States Steel Corporation has cut its production fully one-half with the prospects of reducing it further in the immediate future. Railroads announce a declining rate of income in spite of the rapid increase of population in the localities which they traverse.

The giant bluff of the bankers seems to have succeeded. They have issued Clearing House certificates, had holidays granted and in every way made sport of the law and order of which they ordinarily are the most ardent defenders. The United States Government finally came to the rescue with an issue of fifty million dollars of Panama Canal Bonds, and one hundred million dollars certificates of indebtedness. This is the first time that the national debt has been increased in time of peace, save when President Cleveland took similar steps on a much smaller scale during the panic of 1893.

There has been much discussion among Socialists as to the cause of this panic. Some have even shown an inclination to throw overboard the well known explanation that it is due to the constantly widening margin between the consuming power of the workers and the amount of surplus value derived from exploitation. Several Socialist writers have expressed themselves that this theory had already been discarded though just who discarded it and when, none have stated. A fairly careful examination of such works of Marx as are at hand fails to show any place where he rejected it.

In the second volume of "Capital," pages 86 and 87, his position is stated as follows:

"Thus the production of surplus-value, and with it the individual

consumption may be in a flourishing condition, and yet a large part of the commodities may have entered into consumption only apparently, while in reality they may still remain unsold in the hands of dealers, in other words, they may still be actually in the market. Now one stream of commodities follows another, and finally it becomes obvious that the previous stream had been only apparently absorbed by consumption. The commodity-capitals compete with one another for a place on the market. The succeeding ones, in order to be able to sell, do so below price. The former streams have not yet been utilized, when the payment for them is due. Their owners must declare their insolvency, or they sell at any price in order to fulfill obligations. This sale has nothing whatever to do with the actual condition of the demand. It is merely a question of a demand for payment, of the pressing necessity of transforming commodities into money. Then a crisis comes. It becomes noticeable, not in the direct decrease of consumptive demand, not in the demand for individual consumption, but in the decrease of exchanges of capital for capital, of the reproductive process of capital."

Boudin in his discussion finds no new theory of crises in Marx aside from this so-called orthodox one. Hyndman's theory of crises lays more emphasis on the limitation of gold than on the lack of the consuming power of the workers, but he does not by any means suggest that the theory as stated above has been discarded by Socialists. In Jones' work on crises, by far the most elaborate in the English language and which is based on by far the most exhaustive study and reading of the subject ever made, he rejects the "over-production" or "under-consumption" theory only because its acceptance implies the labor value theory, an objection which should not be offered by Socialists.

It is true that in the process of circulation of capitalist production as expressed by Marx in his famous formula M-C-M (Money-Commodity-Money) that there is a stage in which the amount of the circulating medium and the manner in which it is used have a great influence. But to imply that a great fundamental upheaval like the present one is caused by a manipulation of the money of a country is to reject the whole philosophy of the Economic Interpretation of History.

The theory that seeks to explain the present crisis by an insufficient volume of currency is especially weak since never in the history of the world have there been such rapid additions to the gold supply of the world as during the ten years which have just past. Extensive discoveries in the Klondike, in South Africa, Australia and the United States have added new sources of supply. Of even more importance have been the inventions and application of the great mechanical dredges and the improved cyanide process of reducing low grade ores. These have made possible the utilization of low grade placer and quartz deposits respectively and have made gold mining a prosaic manufacturing industry instead of an adventurous lottery.

During this same period the credit system has been increasing and

developing to an unprecedented extent, making the need for money in proportion to the work done very much less than at any previous stage. Again the amount of money absolutely and per capita is much more in the United States than in many other capitalist countries where there is no crisis at the present time.

Approaching this question from another point of view, — crises overleap all bounds set by varying monetary systems and play havoc with "elastic currency" countries as well as with those with a fixed amount of circulating medium. Hence some cause must be found that will follow the effect across these varying financial and national lines.

There has been another explanation put forward of the present crisis, and sometimes this has been done by Socialists. This is that the collapse came as a result of the fight between Heinze and the Rockefeller crowd which took place just as the panic was starting. That this battle of the industrial giants helped to kick over the tottering structure is at least probable. But if it had not been tottering they could not have knocked it over. The similar fight between Harriman and Hill over the Northern Pacific a few years ago, although it caused a greater commotion in Wall Street than anything that has occurred at the present time did not bring on an industrial crisis.

Others would explain the crisis as an act of revenge by the great trust magnates as a revenge for Roosevelt's use of the big stick. The reverse of this theory is that Roosevelt caused the panic by too liberal use of the same big stick. There are many things the matter with this theory. In the first place the big stick has not wrought any such havoc in either direction as would cause it to be so very much feared. Not a single trust has been destroyed or seriously interfered with.

The only things that have been accomplished was the levying of the twenty-nine million dollar fine against Standard Oil, which no one is foolish enough to think will ever be paid, and the seizure of a few thousand dollars worth of cigarettes from the Tobacco trust.

But the really weak point in this theory lies in the idea that it is in the power of any body of men to create and prevent crises. Industrial and social progress is controlled by forces that are far more powerful than any few individuals. This is at least true of those great fundamental movements such as produce crises. If this were not so, if capitalists could produce or prolong prosperity and adversity at will, then there would be little hope of the success of Socialism. This would imply sufficient control to prevent the concentration of wealth and the growth of an exploited, rebellious proletariat. The economic interpretation of history is either true or false. If it is true, then any such great social phenomenon as a far-reaching industrial crisis is due to features in the industrial structure itself.

If the Marxian theory of surplus value is true, then it follows that the degree of exploitation is continually increasing with the perfecting of the means of production and that the margin of surplus value is growing

ever greater. The most frequent objection to this is that there was no evident overproduction preceeding this crisis. The weakness of the objection is that such an overproduction is always invisible immediately prior to the crisis. The overproduction is always potential at the moment immediately preceding the break.

We have made quite an extensive study of the literature of every panic in the United States and never found a mention of overproduction immediately preceding the financial crash, which introduces every industrial crisis. The limit of the market is reached and here and there a few firms begin to feel the pressure while the majority are still apparently overwhelmed with future orders. There comes a slight depression, a calling for financial support by the firms that have first felt the pressure. This causes a slight "tightness" in the money market. Then comes this first falling off in production which instantly reduces the already insufficient consuming power and the potential overproduction becomes active and the crisis is on.

A slight examination of the trade papers during the last summer shows that this was the exact condition during the past twelve months. While these underlying causes are the same in each great crisis, yet the phenomena vary with the changes that take place in capitalist organization in industry. During the highly competitive period, the crisis wipes out a majority of the firms. This occurred in 1873. With the coming of the trust, certain firms rose above the crash and were uninjured by it. This was the case in 1893-5, when only the smaller firms went down.

In a completely trustified society, there could not be any bankruptcies, because there would be but one firm in each industry to fail and its failure would practically be impossible.

How near we have approached that stage has been seen by the present crisis. Trusts do not go bankrupt. They simply stop producing until they can commence again.

The effect on the workingman in all cases is practically the same. He is thrown out of employment, goes hungry, becomes a tramp, sees his family suffer.

The question now arises as to how long the present condition will continue. Remembering that the capitalist class is organized thoroughly, that it is fighting for existence before the advancing army of Socialism, we may be sure that every possible means will be taken to shorten the time of depression. Much can be done in this direction. The expenditure of a few hundred million dollars in permanent improvements would afford labor for the great army of unemployed and would wipe the surplus out of existence in short order and start the wheels of industry in motion. That such steps will be taken seems quite likely.

One of the effects of this crisis will be to arouse a rebellious feeling among the working-class. A hungry mass of unemployed workers is not apt to remain satisfied with present conditions. But this discontent will not become spontaneously intelligent. Quite the reverse. It will

be fruitful ground for the work of the demagogue. It will be a difficult task to direct it into intelligent paths.

If the Socialist Party can do this, if it can rise equal to the task that will be set for it during the coming months it can make history, If not it will be shoved aside until it shall have grown equal to the task.

Social Programs.

We publish in this number an interesting suggestion of how society might be revolutionized if there were no class struggle, no laws of social evolution, no internationalism, no existing society from which we must begin, and which is never twice the same, but whose fundamental law is continuous change.

There are suggestions in the article that may help in formulating Socialist platforms, although it is based more largely on Single Tax than Socialism. It belongs rather in the literature of a generation and more ago, yet we believe it contains enough that is interesting and suggestive to justify reading at the present time.

THE WORLD OF LABOR

BY MAX S. HAYES

The Norfolk convention of the American Federation of Labor has come and gone and on the surface no great departure has been made from the policies of previous gatherings of that body. But a beginning has been made that will probably lead to good results. One fact that stands out clearly above all else is that President Gompers dominated the Norfolk meeting more completely than any yet held. It cannot be said that Gompers resorted to unfair methods to enforce his will upon the convention. The simple truth is that the vast majority of delegates agreed with him, outwardly at least, upon every proposition that he favored.

The most powerful influence that aided Gompers in maintaining absolute control of the Norfolk convention was unquestionably the savage attacks made upon him, as well as other trade union officials, by the National Association of Manufacturers. If Van Cleave, Parry, Post & Co. believe they could secure the downfall of Gompers by arranging to assault his integrity while the delegates were assembling they could not have chosen a more inopportune moment. The labor-haters simply fired a boomerang. Those who have differed from Gompers most radically upon questions of principle and policy, and who, by the way, have the highest regard for his rugged honesty and sincerity of purpose, were among the first to pledge him their support in his battle against that branch of capitalism that has dropped the mask and boldly announced its intention of destroying the trade unions.

When during the convention Gompers took the opportunity to reply at length to the charges of dishonesty and insinuations of immorality made against him through certain daily and weekly newspapers, which charges were inspired by the so-called Century Syndicate, a creature of the National Association of Manufacturers, he presented sufficient evidence to satisfy the most exacting critic that not only had the Van Cleave cohorts held out a bribe to make him "safe financially," but also that they intended to resort to the same tactics in the East that the Mine Operators' Association and its Pinkerton hirelings have been practicing in the Western country.

"Gompers did not reveal all the information that he had," said a prominent member of the Federation, executive council. "We have positive knowledge that Van Cleave and his plutocratic friends are developing a thorough system of espionage throughout the organized labor movement. Their minions are instructed not only to spy upon union workmen and gather evidence regarding the activity of agitators and organizers, but they are likewise expected to secure all

the damaging information that they possibly can against the private character of union officials, and to manufacture such evidence if none can be obtained."

The bosses of the National Association undoubtedly believe if they can destroy the reputation of union officials they will turn the rank and file against their organizations and cause them to become disheartened and withdraw from the unions. Just as the Colorado capitalists started a hullabaloo against an alleged "inner circle," so the Van Cleave outfit has started a loud cry against an "inner circle" in the American Federation of Labor. While it is unlikely that the Eastern plutocrats will go to the lengths of their Western colleagues, especially after the monumental fizzle to railroad Haywood to the gallows; still there will unquestionably be many prosecutions and persecutions to record during the next few years, as the oppressors are not raising a fund of \$1,500,000 for fun or because of their love for labor. They have already had several local union officials imprisoned for alleged contempt of court, and they made a desperate effort, during the past month, through the Typothetae, the printing branch of the capitalistic federation, to drive President Berry, of the printing pressmen into jail at Cincinnati for disobeying an injunction, but they failed.

Under the circumstances those delegates who attended the Norfolk convention who are Socialists, agreed among themselves, and unanimously and spontaneously at that, that it was not only their duty as trade unionists to do their part to present a solid front to the common enemy upon the industrial field, but they also owed it to their party to protect it from any charge or even suspicion of being used as a cat'spaw or an ally to assist the damnable work of the labor-haters. The Socialist party made a noble fight to rescue the Western miners from the slutches of the tigerish grand dukes of capitalism, and it can do as much for any and all other trade unions, even though they are conservative and move slower than we could wish.

The class lines are being sharply drawn in this country, and the most indifferent trade unionists are beginning to understand that they are not engaged in a mission that is going to be a summer picnic. We are in a period of transition and entering a new stage of development in organization effort. Heretofore it has been a comparatively easy matter to conduct union business and follow a certain routine and well-defined plans. But in the future, unless the signs of the times are misleading, the trade unions will be compelled to fight step by step to hold what they have gained and make further progress.

So while it is stated above that no apparent change has been made in policies, yet ground work has been prepared that will in all probability lead to a much-needed departure from old moorings.

For example, there was marked impatience manifested with the narrow factionalism born of the jurisdictional entanglements, and every utterance upon the necessity of closer affiliation and more thorough unification struck a responsive chord. The general clamor that the brewery workers' charter be restored and that unions outside of the Federation be invited to join became infectious, while sincere efforts were made on the part of rival organizations to begin the task of establishing lasting harmony. This fact was fully demonstrated when the building crafts, by unanimous vote, agreed to form a department of the Federation and arrange all their jurisdictional disputes without dragging them into conventions. It is not improb-

able that the long standing controversy between the carpenters and woodworkers will be adjusted by an alliance or amalgamation in the new department, and a number of other annoying contests between rival organizations may likewise be settled.

The fraternal delegates to the American Federation of Labor from the British Trade Union Congress, Messrs. Shackleton and Hodge, made some interesting observations while in this country during the past month. Both gentlemen are members of Parliament, having been elected by the Labor-Socialist combination in Great Britain; and they are hard-headed, practical workmen who have had great experience in the labor movement of the old world. Both men are agreed that the organized workers of America are far behind their European brethren in battling for political power. In Great Britain, they say, there has been a tremendous awakening during the past few years. The agitation for political action has become so widespread that the politicians have been thrown into a panic, and today Tories and Liberals are joining hands to beat back the socialistic propaganda. But the action of the old party leaders simply adds fuel to the flames. Meetings by the hundreds are being held throughout the kingdom nightly to stamp out socialism and the daily newspapers teem with columns and columns of "exposures" calculating to picture the horrible conditions that would prevail under a socialistic government. The English delegates are hopeful that the labor representatives in Parliament and in local governing bodies will be largely increased during the next few years, while the popular vote is bound to be greatly augmented.

The eight-hour strike of the bookbinders and printing pressmen is growing highly successful. As will be recalled, the United Typothetae of America, the employers' association in the printing trade that stands for the open shop and is affiliated with the new capitalistic federation, made a desperate effort to prevent a strike by securing an injunction against the pressmen in the United States Court at Cincinnati. The restraining order was granted to prohibit the pressmen from voting to strike the Typothetae offices or pay strike benefits on the ground that they would be violating an agreement previously made by President Higgins with the open shop employers to recognize the open shop and institute the eight-hour day in 1909. However, the vote had already been ordered and was proceeded with and resulted in declaring a strike. Thereupon the Typothetae brought proceedings against President Berry upon charges of contempt of court and attempted to have President Berry, of the pressmen, imprisoned, but met with signal defeat. A peculiar situation developed during the trial. It was brought out that affidavits were filed against the pressmen's officials by Ex-President Higgins and Editor Galaskowsky, who conducts the official journal. This treasonable conduct created a sensation in the printing industry, and Higgins and Galaskowsky were denounced in severe terms, even by employers, who expressed heartiest contempt for individuals who had been honored and trusted by their organization, only to endeavor to betray it at a critical period. Meanwhile scores of employers made their peace with the pressmen and inaugurated the eight-hour day, until at present fully 85 per cent of the membership has gained the demand. About 75 per cent of the bookbinders have also succeeded in securing the shorter workday, and, while the battle is in progress in a number of localities, the indications are that the contest will come to an early and satisfactory close.

A gratifying outcome of the two years' battle in the printing trades, which has cost the workers upward of \$4,000,000, is the probability that a printing federation, composed of a half dozen branches, will be established in the near future. Since Higgins has been deposed the best of feeling has prevailed between the officers and members of the printing crafts, and mutual assistance has been extended by the various branches during the last half year.

About the time the Review is issued the balloting for officers among the miners will have concluded. As is generally known, John Mitchell, because of ill health, refused to accept re-election and sought to drop his mantle over the broad shoulders of Secretary W. B. Wilson, who was elected to Congress in one of the Pennsylvania districts last year. Mitchell and Wilson have been close friends for years, and, feeling certain of the latter's promotion, another strong lieutenant of Mitchell, W. D. Ryan, secretary of Illinois miners, was put forward for national secretary. But Vice-President Tom Lewis, who has disagreed with Mitchell upon matters of policy quite frequently, and whose crowning ambition has been to fill the presidential seat, refused to be effaced and took the field against Wilson. A hard campaign has been fought throughout the various mining districts, as it was well understood that, aside from Mitchell's withdrawal from active work in the organization, either Wilson or Lewis would be retired with him, and these two familiar figures would disappear from the surface of the Miners' Union. At this writing it looks as though Lewis is elected, although later returns may change the tide that appears to be running against Wilson, who, if defeated, will have a desperate fight to secure re-election to Congress next year because of the prestige he will have lost. Despite denials to the contrary Mitchell is slated for a public position. For several years there has been some agitation in favor of establishing a governmental department of mines and mining under control of the Department of Commerce and Labor. At the coming session of Congress President Roosevelt is to recommend the formation of a department of mines and mining, and if Congress creates such a bureau Mitchell is to be appointed director of the department. At least that is what several high officials in the miners' union declare.

The injunction proceedings at Washington to restrain the American Federation of Labor officials from maintaining or publishing an unfair or "We don't patronize" list, and which was stubbornly contested by both sides, will be carried from the lower court to the United States Supreme Court. As is well known, the employers' associations who are supporting the Buck Stove & Range Co., plaintiff in the case, have collected an enormous fund to be expended with the specific purpose in view of outlawing all boycotts. On the other hand the A. F. of L. has levied an assessment on the entire membership for the purpose of defending the right to refuse to patronize unfair concerns and to make that fact public. It should be stated that a number of state and local courts have already decided the boycott illegal while others have held that it is lawful to boycott individually or collectively.

SOCIALISM ABROAD

ENGLAND.

The municipal elections which were held during November were widely reported in this country as a "defeat for Socialism." When the returns came in this defeat was found to be of the regular character. All other parties had combined against the Socialists, and had thereby prevented any increase in the number of Socialist officers elected while the number of Socialist votes had increased.

Perhaps the liveliest thing in English politics at the present moment is the suffragette movement. The women who have taken up the fight for the right to vote are adopting the tactics which compelled so much attention last year. They are attending liberal meetings and raising disturbances that compel the police to eject them, and are preparing to make it decidedly warm for Parliament when it assembles. There is plenty of criticisms of these tactics. The general conclusion is that they are not polite and ladylike, but there is a tradition to the effect that revolutions have seldom been noted for these characteristics, and it is certain that more attention has been attracted to the subject of woman suffrage during the last year than in all the years that have been given up to "polite and ladylike" propaganda.

GERMANY.

The Harden trial will not down. The flash light view which it gave of the rottenness of official society was just enough to rouse a suspicion that a further investigation would but show that this was a fair sample of all that lay beneath. On the assemblage of the Reichstag Bebel at once took up the revelations of this trial and gave the government several "bad quarters of an hour" in explaining.

Now it is announced that von Buelow's bloc of all the little reactionary parties, obtained at such tremendous cost in the last elections, cannot be depended upon, but is showing signs of dissolving at the first attempt to put any definite program through the Reichstag. Consequently von Buelow is already talking of resigning. Just who the Emperor could call to take his place in such an event has not yet been suggested. It might easily be possible that inability to form a government would compel anew elections, although this is not thought likely, since the German government is by no means as strictly on the cabinet plan as that of some other European countries.

RUSSIA.

In spite of the fact that the most strenuous and repressive measures were used to prevent the election of any "undersirable" members to the last Douma, that body has proved to be by no means as subservient as the autocracy had expected. There are between twenty and thirty members of the Socialist Party among those elected and many of the remainder are strongly opposed to the government. These have taken advantage of the opportunity afforded them to denounce the Czar from the floor of the Douma until in one case the one speaking was mobbed by the reactionary members of the Douma. The first official action was in reply to the speech from the throne and in this reply the word "autocracy" was stricken from the form of address to the Czar. Famine and starvation are reigning over Russia today. The harvest of wheat and rye is fifty million bushels less than the average for the last five years. As a result of this, the price locally is raised to a great height. In the attempt to raise wages to correspond with the increased cost of living, strikes have broken out that are little more than desperate struggle against starvation. These have been met at once by the Russian government with a reply of "Cossacks, whips and lances." The Jewish Social Democratic paper, *Hoffnung*, has been again suppressed and six of its force imprisoned. Manuscripts and letters were discovered and confiscated.

BELGIUM.

The trade union conflict has extended to Belgium, the country that has always boasted the absence of any such problem. Individual unions have insisted on managing their own affairs. To some extent these individual unions are following the same policy of the Syndicalist movement of France and this Belgian phase is but a part of a movement that seems to be sweeping over all Europe.

BOOK REVIEWS

The Limit of Wealth, by Alfred L. Hutchinson. The MacMillan Co. Cloth, 285 pp., \$1.50.

Just how such a book came to be issued by a house like MacMillan is something of a mystery. It is the sort of book that is usually "Published by the author" and consigned to the "freak shelves" of the library. It is one of the crudest possible sort of Utopias. A marvelous young man from the West discovers a remarkable scheme, elaborates it in a country school house, everyone is converted and the plan is adopted. It consists in limiting "the amount of wealth which a man may accumulate. Disintegrate the surplus beyond that limit, by having the Federal government collect it; distribute that wealth by having the Federal government inaugurate such enterprises as will not come in competition with existing industries, but which will give employment to the unemployed at remunerative wages."

The government then proceeds to build magnificent boulevards across the continent, to inaugurate a new system of education (the description of which enables the author to display his complete ignorance of all modern pedagogy), return the postal service to private ownership (where he can again prove his ignorance of the history and theory of the transmission of mail), to place all persons with the slightest anarchistic tendencies in a sort of cross between a boarding school and an insane asylum (the discussion of which enables him once more to expose his ignorance, this time of anarchy), and to abolish all trade unions and strikes, — in the discussion of which he demonstrates more ignorance of the principles and practices of organized labor than it would seem possible for one man to possess in this day.

In fact the thing that impresses the reader is how a man could have lived and thought enough to have assembled as many words together on the social problem and known so little.

Not that there is absolutely no merit in the book. The author could not absolutely quarantine himself from all knowledge, and he congratulates himself upon the fact that some of the things which he suggests have also been advocated by others, and that some of them bid fair to be realized. This is inevitable. It would be well-nigh impossible to elaborate an imaginary society, some portions of which would not prove prophetic. But in so far as there is anything original in the book it is silly, and is one more horrible example of the danger of writing on a subject so technical as sociology without some knowledge of the literature of the subject.

Orthodox Socialism, by James Edward Le Rossignol. New York: Thos. Y. Crowell & Co. Cloth, 147pp., \$1.00.

Here is a book that is certainly worthy of more attention than the majority of the criticisms of Socialism. The author at least has read the standard writings of Socialists, sufficiently to enable him to use the phrases, although the reader will sometimes wonder if he really grasped the meaning.

He makes much pretense of fairness, yet opens his work with a chapter on "The Creed of Socialism," a covert sneer, and then after asking "If Socialism is a Science, how is it that socialists display so little of that openness of mind, that love for truth, that indifference to contradiction, that sublime patience so characteristic of the true scientific spirit?" He then shows his own true scientific spirit in the next sentence by declaring, without proof, "In fact, Socialism is not a science at all, but a faith, a religion."

He sets out nine articles which he declares are held by the socialists, and while most of these are stated correctly although generally with a bias, more or less distorted, we are somewhat surprised to see that the "iron law of wages" is a part of the Marxian doctrine. He takes up the various fundamental propositions of Socialism and ends by pretending to refute them. On "the labor cost theory of value" he repeats all the long, out-worn objections and insists on confusing prices with value and making it appear that Marx held that the price of everything was fixed by the amount of labor embodied in it.

His chapter on the "iron law of wages" may be passed over, since this is not held by the socialists and certainly not by Marx, who emphatically pointed out that wages could be raised by the associated effort of the workers.

In his description of surplus value, he falls into a most ridiculous error. He says, "A grain dealer buys the crop at 75c a bushel, which he presently sells in a neighboring city for 80c a bushel, thus making a profit of \$50.00 upon the transaction. At this point Karl Marx discovered robbery and exploitation." While it is undoubtedly true that some socialists have overworked the idea that the laborer is exploited only in production, it is most certainly true that Marx never claimed that surplus value was produced in any such act of exchange as is here described.

In his reply to the claim that the capitalists are parasitic, he brings forth the old, old argument that some laborers own capital and some capitalists do work, and then justifies interest by saying that it is payment for the use of something. No one denies this, but if a man takes my watch from me and then charges me for using it, it is hardly a justification to say that I get the use of the watch.

The ownership of capital gives the power to extort a return for its use by those who created it, and there is no reason why this property should not be owned co-operatively and used co-operatively and the returns from it enjoyed co-operatively.

His chapter on industrial crises is especially interesting just now since he goes on to show that crises are being eliminated in our present society. He makes a few weak criticisms of the economic interpretation of history, granting its importance but seeking to belittle it with objections, all of which have often been presented and discussed before.

He quotes with approval the statement of Seligman. "There is nothing in common between the economic interpretation of history and the doctrine of surplus value, except the accidental fact that the

originator of both theories happened to be the same man." This argument has been so often destroyed that one is somewhat surprised to see its reproduction by a man as familiar with socialist literature as Prof. Le Rossignol would seem to be. Very properly for one who is fighting socialism, he spends most of his time over the class struggle. Here he repeats the Bernsteinian argument to show that the miseries of the working class are decreasing. This argument rests partly on a misstatement of a socialist position and partly on a misstatement of the fact. No one who has studied the East End of London, the East Side of New York, or the slum section of any of the older cities will deny that there is an ever increasing degradation such as it is doubtful if the world has ever seen.

On the other hand, the socialists all agree that a portion of the working class have fought and secured conditions for themselves better than what were enjoyed by previous generations, and it is upon this fact that socialists depend for a victorious outcome of the class struggle.

His supposition that "the higher paid laborers will necessarily be conservative" is contrary to facts, since the socialist organizations in every country are composed of just these workers. It is the diamond workers of Amsterdam, who are at once the most highly paid, the best organized and most thoroughly socialistic of any workers in Europe and it was most strikingly brought out when a number of voluntary workers were called for to assist in installing the printing plant of the Chicago Daily Socialist, that it was the most effective and best paid workers who were to be found in the socialist locals.

He denies the coming of a social revolution, but would substitute instead a scheme of social reform. When it comes to guessing about the future, he is beyond possibility of absolute refutation. Socialists can only point to the fact that their predictions have been fulfilled, while those of professional economists have generally proved false, and claim this assures a probability that the same may hold true in the future. On the whole, the book is a good one to sharpen socialist wits, and it would be a good idea if every socialist speaker would read it and be prepared to answer it before starting out.

PUBLISHERS' DEPARTMENT

NEW BOOKS AND NEW EDITIONS.

Marxian Economics, by Ernest Untermann, long announced and eagerly awaited, was published about the middle of November, and is already delighting hundreds of readers. We shall have to revise all our "first courses" in socialism and lists of small libraries for popular circulation now, for this new book by Ernest Untermann belongs near the beginning of every course and in every socialist library however small. He undertook a work of tremendous difficulty in attempting to give in simple, popular language a statement in one moderate sized volume of the principles established by Marx in all three large volumes of "Capital." And as fast as the comrades read this book, they will readily forgive the author for not finishing it on schedule time.

After a Foreword of twelve pages in which his view-point is clearly explained, the author follows a historical arrangement, as shown by the following table of contents:

- I. What is Capital?
- II. Labor and Capital.
- III. Animal and Human Societies.
- IV. Biological and Economic Division of Labor.
- V. Societies Without Capital.
- VI. The Rise of Commerce.
- VII. Commodities and Money.
- VIII. The Development of Merchants' Capital.
- IX. Merchants' Capital in Phenicia and Greece.
- X. Merchants' Capital in Rome.
- XI. Merchants' Capital Under Feudalism.
- XII. The Rise of Industrial Capitalism.
- XIII. From Ancient to Classic Economics.
- XIV. The Marxian Theory of Value.
- XV. The Marxian Theory of Surplus Value.
- XVI. Merchants' Capital Under Capitalism.
- XVII. Ground Rent.

XVIII. Profit, Interest and Rent Under Capitalist Competition.

XIX. The Drift of Industrial Capitalism.

XX. Closing Remarks.

This is one of the very few books that we can commend both to the beginner and the advanced student. A careful reader with scarcely any previous knowledge of socialism can enjoy the book and get much out of it, while even the most advanced students will find it suggestive in a high degree. Cloth, \$1.00.

When Things Were Doing, by C. A. Steere, is just ready. It is a story of the coming revolution, and in our opinion the most satisfactory book of the kind yet written by an American author. We are constantly asked how it would be possible for socialists to run the industries of the United States if they should get control of them. Just how these things will be done no one knows nor can know, but how they might be done is told in a delightful fashion in this story. It is just the book to give any new inquirer except the few who take orthodox theology seriously. (These will be better suited with McGrady's "Beyond the Black Ocean, cloth, \$1.00, paper, 50c.) "When Things Were Doing" is published in cloth only at \$1.00, and it is handsomely bound, so as to make an attractive Christmas present.

The Republic, by N. P. Andresen, deals with some of the same questions, but in the form of a long dialogue on the present and future conditions of American society. It is a book to be recommended to new inquirers rather than to socialists, and to inquirers from professional, business and farming circles rather than to wage-workers. It will with these limitations be an admirable book for a Christmas gift. Cloth, \$1.00. Now ready.

Anarchism and Socialism, by George Plechanoff, translated by Eleanor Marx Aveling, now ready, is one of the classics of socialism, and ought to have been published in this country long ago, but we have only lately been able to undertake it. The book is especially timely at this time, because the only serious criticism of the socialist party from a working-class point of view is from revolutionary trade unionists who told that no political action is necessary. Robert Rives La Monte has written an American introduction to the book, in which he points out its value for meeting this criticism, and for showing the historic failure of every revolutionary movement that cut itself off from the political activity of the working class. Cloth, 50c.

God And My Neighbor. This is at once the ablest and the most charming of the books by Robert Blatchford, author of "Merrie England." It has already run through several editions in this country and we know not how many in England, but it has never been offered in such attractive form as now. The new edition, just ready, is in the International Library of Social Science, of which this is the

18th volume. It is in green cloth, stamped in dark green ink, uniformly with the other volumes of the series.

This book by Blatchford is not a book on socialism but on religion. While the author is a socialist we do not offer it as a socialist book. We offer it as an able presentation, in charming literary style, of a clear thinker's views about the question of religion. If you are a Catholic or an orthodox P-otestant, and do not wish to have your opinions criticised, let the book alone and it will not hurt you. If you take no interest whatever in the question of religion, let the book alone and it will not bore you. But if you have studied science more or less and are interested to learn how the newly discovered facts of modern science bear on the question of religion, you will find the book well worth a careful reading. And if you have been connected with some church that is making war on socialism you may be deeply interested in a calm and courteous examination of the church's claims to authority. Cloth, \$1.00.

The Universal Kinship, by J. Howard Moore, the third edition of which has just been published in the International Library of Social Science, is one of the most delightful books on Evolution ever written, and makes the complicated subject interesting to thousands who would get no clear ideas from the books usually recommended. The book is enthusiastically praised by Mark Twain, Eugene V. Debs and Jack London, all of whom read it with intense delight. You will do the same if you send for it. Cloth, \$1.00.

Love's Coming-of-Age, by Edward Carpenter, is another volume in the same series of which a new edition is just ready, and this book has run through so many editions that we may have lost count; we believe however that the present one is the seventh, and that seven thousand copies have now been printed in America, to say nothing of English editions. This is another charmingly written book. It deals with that delicate subject the sex question, and radically too, yet with such reserve and good taste that even Anthony Comstock has never questioned our right to send the book through the mails. Carpenter, as we have said before in other words, has the double qualifications needed by one who would write on this subject; he is a man of science and poet in one; otherwise he could not have written so clearly nor so sympathetically. Our sex ethics are already being profoundly modified by changing economic conditions, but those who are alarmed over this may be cheered by Carpenter's healthy optimism. Cloth, \$1.00.

The American Esperanto Book, by Arthur Baker, of which two thousand copies were printed a few months ago, is now in its second edition, and the demand for the book is increasing. No wonder, for interest in the new language is growing, especially among socialists, and this manual by Baker is the most practical text-book of the

language to be had, containing exercises, grammar and dictionary all in one handy volume. Cloth, \$1.00.

Manifesto de la Komunista Partio. This is a translation by Arthur Baker of the Communist Manifest into Esperanto, with the standard English version printed on opposite pages. It will be an excellent book for those who have advanced far enough in the study of Esperanto to do a little reading, and who prefer to study something worth remembering. The Manifesto, written in 1848, is still one of the most valued books circulated by the Socialist Party in every civilized country today. It is well worthy of being preserved in the international language. This is the 24th volume of the Standard Socialist Series, price 50 cents. Cloth, 50 cents.

Marx's Capital. In December, 1906, we published our own edition of the first volume of Capital, after having for several years been importing and selling the English edition. We thought ourselves rather venturesome in printing so many as two thousand copies, since of the imported books we had sold scarcely five hundred in any one year. But we took the chance, and the comrades have surprised us by buying 2,000 copies inside a year. The second edition of 2,000 is now ready and selling rapidly, though not so rapidly as we could wish. The second volume, published last July, is now in its second thousand, and Ernest Untermann has nearly finished his translation of the third. That volume will be larger than either of the others, and to publish it will involve an outlay of nearly \$2,000. Whether we shall be able to publish this third volume early in 1908 will depend in great part on the demand for the first two volumes during the next few months. Either volume is sold separately at \$2.00.

OUR FINANCIAL SITUATION.

The book sales for the month of November were \$1887.18; this however included about \$700 worth of books sold to the Appeal to Reason and paid for in advertising, making the cash receipts from book sales about \$1200. The receipts of the Review for the month were \$237.88, the increase being due to our advertising the Review in the Appeal to Reason. The sales of stock for the month were \$165.51, the smallest monthly receipts from this source for a long time. The only cash contributions during the month were \$2.00 from W. W. Harris of New York and \$1.70 from W. Frankland of New Zealand, to which contributions Charles H. Kerr, in accordance with his offer for 1907 published some time ago, adds a like amount, \$3.70. (This offer expires with the present month, and any who have money to contribute toward putting the publishing house permanently on a cash basis can make it count double by sending it during December.)

The falling off in November receipts is of course due to the financial panic. We explained this in a circular letter to our stockholders mailed just before the end of November, and a number of them have responded already with special cash orders for books or with loans of money. If the panic had struck us earlier, when we

had large obligations outstanding to printers and binders, the publishing house would have been in serious danger. As it is, we are going to pull through, but we need every dollar that can possibly be raised within the next few days after this number of the Review reaches its readers. It happens fortunately that we are not at all behind with our payments to those who print our books and supply the paper for them. On the other hand, some of these houses are themselves hard pressed for ready money owing to the panic, and are offering us special cash discounts in consideration of our paying their bills before they come due. If we can do this, there will be a substantial saving, and we shall also be able to place future orders on more favorable terms. To do it we need the help of every reader of the Review. Our paid-up capital is now \$24,080, but a larger amount than this is already invested in books, plates, and copyrights, not to speak of the accumulated advertising which has resulted in a constant sale for our books, so that more capital is urgently required. Thirty of our stockholders have lent us sums of \$50 or more, and there are probably a hundred readers of the Review who could and would do the same if they fully understood the situation. Some of the loans are without interest, and these we agree to repay on five days' notice. The usual arrangement is, however, that we require thirty days' notice, half the time usually required by a savings bank, and pay four per cent interest, one per cent more than is paid by banks in Chicago. Our business was established in 1886, and has grown gradually to its present size. The total debts to non-stockholders are much less than an average month's receipts. Moreover we are not running the business at a loss; the regular monthly receipts are enough to cover each month's expenses; our difficulties arise wholly from lack of sufficient capital. We can therefore show that money will be safer with us than in an average bank today, and it will be used in the interest of the working class instead of against it.

If you are not already a stockholder, send ten dollars now for a share of stock, and you will also receive any books published by us that you may select, to the amount of \$4.00 at retail prices if we mail them, or \$5.00 if we send them by express at your expense. If you are a stockholder, and can lend us fifty dollars or more on the terms mentioned above, now is the time it will help the most. If you have not, can you not at least send at once a cash order for books for yourself and for your friends? Use our books for your Christmas presents this year. And if you do not know what books you want when you read this, send the money and order the books later.

The Review for 1908.

This has been the most successful year the Review has had, that is to say, the deficit to be made up from the book business and from contributions has been smaller than ever before. Next year we hope to improve the Review, making it no less scientific, yet easier to understand for those comrades whom capitalism has defrauded of an education. Several hundred subscriptions expire with this number, and we hope that each of these subscribers will send in the dollar for his renewal by an early mail. This in itself will be no small help in meeting the problems of the panic.

But whatever you decide to do in view of all we have said, do it now.